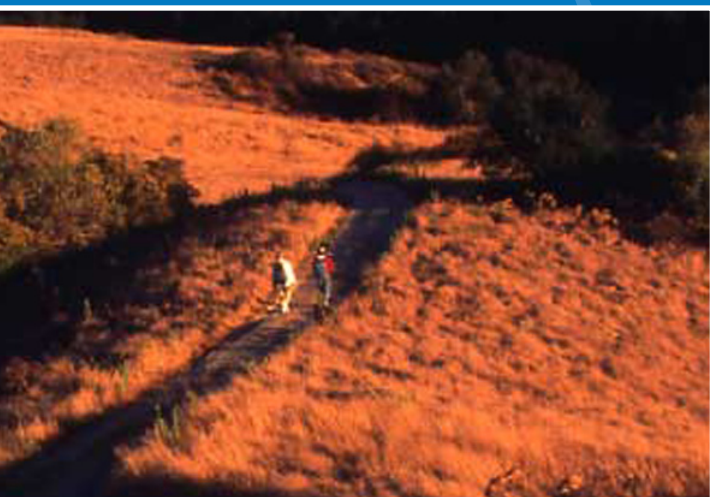




# Resources and Development Management Department



## 2006 Business Plan



# **2006 Business Plan**



**Resources & Development Management Department  
Bryan Speegle, Director**

**Headquarters:  
300 North Flower Street  
Santa Ana, California 92703**

**March 21, 2006**



# **COUNTY OF ORANGE**

## **RESOURCES & DEVELOPMENT MANAGEMENT DEPARTMENT**

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March 2006

### To Our Readers:

Thank you for the opportunity to present you with the Resources & Development Management Department's (RDMD) 2006 Business Plan. RDMD is a unique County department comprised of seven core businesses, each of which directly impacts the quality of life for Orange County residents and the private sector. Our core businesses include: Agricultural Commissioner, Harbors/Beaches/Parks, Public Works, Planning & Development Services, Internal Services, and Watershed & Coastal Resources.

2005 was an extraordinary year for RDMD. We were faced with a number of challenges that "made the headlines," and our staff effectively responded to each one. Perhaps you recall:

- Last winter's storm events and RDMD's response: Repair of storm channel damage, Request for Governor's Declaration of Emergency, EOC Staffing.
- The transition of Dana Point Harbor into a separate County department.
- Board of Supervisor provision of additional funding to Harbors/Beaches/Parks.
- Approval of the Rancho Mission Viejo Development Plan & Agreement.
- Board of Supervisor discussions regarding funding for Watershed protection activities.
- The completion of the Civic Center Law Library expansion.
- Construction and repair of a number of County roadways (Laguna Canyon Road).
- In response to Board direction, RDMD implementation of an improved Code Enforcement Program including amendments of the Codified Ordinances.

We anticipate that 2006 will bring its own share of challenges and opportunities as well. As you will discover from the comprehensive list of issues in our Business Plan, there is no down-time for RDMD staff. In fact, three of the top 10 County Strategic Priorities identified by the Board of Supervisors impact RDMD: Watershed & Water Quality, Preventive Maintenance of County structures, and Harbor Patrol expenses. Each year has its own unique character which unfolds in both planned and unexpected ways, requiring an acceptable response. With that in mind, I would like to take a moment to thank RDMD staff for their continued dedication that allows the County of Orange to make effective contributions for and in the community.

It is our privilege to serve you at the direction of the County Executive Officer and Board of Supervisors. Thank you for taking the time to learn about the Resources & Development Management Department. For more information about the services provided by RDMD, please visit our web site at <http://www.ocrdmd.com>.

Bryan Speegle, Director  
Resources & Development Management Department

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# I. EXECUTIVE SUMMARY

## Department Overview

The primary mission of RDMD is to provide, operate and maintain quality public facilities and regional resources for the residents of Orange County, and safeguard the high quality of life in unincorporated Orange County through stewardship of the environment, application and enforcement of building, water and grading regulations, and planning of strategically balanced communities. In this capacity, RDMD is responsible for many quality of life issues that directly impact Orange County residents and businesses. For example, RDMD:

- Provides regional recreational facilities and manages historic and natural resources. These facilities include regional, urban, natural, and wilderness parks, open space, nature preserves, recreational trails, historic sites, harbors and beaches.
- Develops and implements regional water quality improvement strategies to preserve, protect and enhance coastal resources and surface waters throughout Orange County.
- Constructs, maintains and manages a quality road system in unincorporated Orange County and for cities that contract with RDMD for services. For new development in these areas, RDMD ensures the quality of design, materials and construction methods for public infrastructure such as streets, bridges, traffic signals, slopes, and storm drains. RDMD is also responsible for providing State-mandated services of the County Surveyor that include mapping, land surveying, and maintaining archives of land and boundary data.
- Provides administration of the permitting and land entitlement process, safety of new construction and development, and availability of a range of quality housing opportunities. Provides protection of the physical environment, including preservation of sensitive habitat and wetlands, and accurate forecasting of growth, development and demographic changes.
- Protects Orange County residents and businesses from the threat of floods. Operates and maintains flood control channels, dams, retarding basins, pump stations and other flood control infrastructure that RDMD designs and constructs.
- Enforces mandated agricultural and pesticide regulations and weights and measures programs within Orange County as the local contractor (Agricultural Commissioner) for the State of California.
- Provides support services to other County government agencies and departments by operating and maintaining facilities, purchasing vehicles, providing fleet service and maintenance of vehicles, offering publishing services and managing capital projects.

## **Challenges for 2006**

RDMD faces several challenges and opportunities in 2006, the most significant of which include:

### **Transition Issues**

In response to the Board of Supervisors approved reorganization of the Department in January 2004, the Department has been heavily involved in merging the myriad of functions and responsibilities of the former Public Facilities and Resources Department (PFRD) and Planning and Development Services Department (PDSD). At the present time, the merging of the Administrative functions has been completed with significant savings; and the first part of the Phase II non-Administrative merger implementation is currently in process. RDMD will work closely with the County Executive Office (CEO) to address any remaining organizational or budgetary issues requiring further CEO review and/or Board approval.

### **2005 & 2006 Retirements**

With the implementation of a new retirement plan, all County departments face the immediate challenge and opportunity of replacing many long term employees. RDMD lost a total of 120 employees from July 1 through December 2005. In addition, there have been increased retirement cost impacts due to vacation and other related benefit payoffs for these retirees. Along with issues, there has also been the added benefit of reexamining our organization, allowing opportunities for efficiencies and the resulting cost savings. As each position is vacated, it is reviewed and only those vacancies that are critical to our mission are being replaced. RDMD expects that another wave of retirement notifications will be received with an effective date on or before March 31, 2006. We have prepared for these and have adequate plans to address each vacancy.

### **Funding Issues**

Securing adequate funding continues to be a challenge, particularly against the backdrop of the ongoing State budget crisis combined with RDMD's mandated multi-year commitment to assist the County in its bankruptcy recovery efforts which includes over \$38.72 million per year for bankruptcy recovery from its HBP, Flood, and Road Funds that would otherwise be utilized to construct, operate, and maintain public facilities.

The Education Relief Augmentation Fund (ERAF) shift resulting from the FY 2004-05 State Budget presented significant fiscal challenges for RDMD administered Flood, and Harbors, Beaches & Parks (HBP) funds, as well as the County Service Area (CSA) Special District funds, all of which experienced a 10% reduction of their Property Tax revenues in both FY 2004-05 and FY 2005-06. Approximately \$14.2 million dollars were diverted to ERAF: \$8.2 million from Flood and \$6.0 million from HBP. This impact exacerbated an already challenged fiscal environment for these Funds resulting from previous ERAF shifts, bankruptcy recovery diversions, and the loss of various other subvention revenue sources from the State.

Recognizing the significant fiscal impact the ERAF diversion would have on the HBP fund, the Board of Supervisors working in conjunction with the CEO, partially backfilled this two-year diversion with a one time transfer of \$5 million dollars from the General Fund (\$2 million of which was set aside by the Board for Dana Point Harbor). Additionally, the Board of Supervisors allocated one-time Proposition 40 funding to regional recreational facilities. For long-range funding issues, RDMD continues to evaluate the potential of eliminating non-mandated HBP programs which do not impact public health and safety.

Additional Flood funding impacts include: (1) The completion of the removal of vegetation and accumulated sediment to restore the capacity of San Diego Creek between Jamboree Road and the Santa Ana Freeway. The allocation of \$4 million for this mitigation work will impact the implementation of other flood control capital improvement projects. (2) The anticipated up-front costs for relocation of the Katella Yard facility which will be eventually reimbursed from the proposed sale of the property to the City of Anaheim.

RDMD has worked hard to adequately manage this financial commitment through restructuring efforts and prudent fund management. In spite of these efforts, the added weight of the additional fiscal challenges brought about by potential retirement payoffs, increased employee benefit expenses, current and future State budget impacts, and unfunded State mandates related to water quality issues, continue to threaten RDMD's ability to sustain its present level of services in many areas in the upcoming years.

### **Water Quality Issues**

The unfunded mandates contained in water quality regulations have continued to necessitate that RDMD fund these activities through grants, collaborative cost sharing agreements with cities, and with transfers of funds from both HBP and Flood Control. Developing a stable source of funding for implementing mandated Watershed activities continues to represent a critical challenge that must be addressed in the near term. In addition to its fiscal impact, water quality issues also have significant operational impacts to many of RDMD's core programs. These impacts include accommodating increased National Pollution Discharge Elimination System (NPDES) requirements in our Flood, Road, Facilities Operations, and HBP programs as well as developing best management practices (BMP) for water quality management. Per Board direction, RDMD is continuing to work with internal and external stakeholders and has developed a comprehensive strategic plan for water quality, including urban runoff issues, watershed management, governance options, and financing plan alternatives. RDMD briefed the Board of Supervisors in Public Workshops held in August 2004, February 2005, and April 2005 on progress in developing this plan and on a variety of policy questions. The Board approved the stakeholder steering committee consensus recommendations regarding governance and the creation of three Watershed Management Areas. The Board directed a near-term financial strategy of working with OCTA on possible water quality funding from the extension of Measure M, but otherwise holding off on water quality funding issue decisions until after the election on Measure M extension in November 2006.

RDMD and CEO staff have spent considerable time over the past year in identifying all of the critical and complex programmatic and financial issues and weighing potential alternatives. As a result of these activities, the CEO initially agreed to recommend a significant increase in Net County Cost (NCC) in the Watershed and Coastal Resources Division (WCRD) budget in FY 2005-06, however this additional increase in general funding remains far short of the funding required to bridge the gap in unfunded mandates for this program. As a result, WCRD continues to rely on nearly \$3 million annually from the Flood fund to cover overhead and cash flow needs, thereby continuing to significantly impact Flood Control Program and its projects.



### **Capital Project Delivery**

The final phase of RDMD's multi-year restructuring effort includes the implementation of a new process for delivering capital projects. RDMD is currently in the last stages of implementation, working with the Human Resources Department to complete multi-agency job classifications and Meet and Confer issues with the impacted employee associations. Once this is completed, RDMD will be moving to implement a new Project Management system and assign specific project managers to complex capital and other projects from inception to completion, thus improving project accountability. Internal Services will be establishing a unit whose goal will be to establish uniform methods for use in administering, budgeting, and reporting on capital projects as well as development of training programs for RDMD project managers.

### **Cogeneration at the Central Utility Facility**

In 2006, RDMD will complete the final design for development and implementation of a cogeneration facility at the Central Utility Facility in the Santa Ana Civic Center and final decisions regarding the source of funding for the project will be made. RDMD will conduct a competitive procurement process and recommend selection and award for an equipment procurement contract to the Board of Supervisors and also bid and award the first phase of the facility and network construction portion of the project. Successful completion of these activities will ensure that the project remains on schedule for a projected start up date in Spring 2008.

### **Planning Issues**

The RDMD/Planning and Development Services 2003 Strategic Plan forecasted a decline in building permits and revenues of as much as 80% with the completion of the Ladera and Newport Coast Planned Communities in 2007-08. In the past two fiscal years, the number of building permits and revenues have been generally level due to low interest rates and high housing prices. As a result, these rates/prices somewhat accelerated the building of tract homes as compared to our Strategic Plan. Now that this finite number of tract units has been consumed at an accelerated pace, the current number of tract and related building permits has experienced a steeper decline than projected, and the number of and revenues from building permits is rapidly moving toward the reduced 2007-08 levels. During the winter quarter this current fiscal year, RDMD and CEO/Finance identified the steepening decline in Fund 113 permits and revenues compared to previous years and forecasts. If this decline were to continue in FY 2005-06 without change, it would result in a deficit for the Fund at the end of the fiscal year. As a result, preparations are now underway to mitigate for this situation. Mitigations include: transfer of employees, reductions in Services & Supplies expense categories, billing adjustments, planned refinements to Time & Materials Ordinance, and potential use of Fund 113 Reserves and Fund Balance Available. These mitigations are being coordinated and approved by the County Executive Office.

The Planning Function is also working with the Human Resources & Employee Relations Department as part of this process to ensure the continuous timely reduction in RDMD's workforce for Building and Safety Fund 113. The County continues to work with employee associations to ensure that the impact upon employees of any such reduction is minimized.

### **Katella Yard Relocation**

County operations currently located at the Katella Yard facility are scheduled to be relocated as the sale of the property is being negotiated with the City of Anaheim. RDMD/Internal Services will lead in developing a relocation plan in 2006 that must consider infrastructure, location and funding needs for each of the impacted operations which include Public Works/Operations and Maintenance, Agricultural Commissioner, Transportation, and Watershed/Environmental Resources. Of particular financial concern is the relocation of the Agricultural Commissioner's program. While State revenues and fees are generated to fund some of the operational costs associated with this program, not all costs are offset by these funding sources and NCC is therefore incurred. Furthermore, state law requires the County to provide an office and equipment for the Agricultural Commissioner from the General Fund (Food & Agricultural Code Section 2242-2244). Consequently, relocation expenses cannot be charged to the State of California and it appears that expenses associated with this program's move will require General Fund contributions. The relocation plan must allow for these expenses to be covered.

RDMD looks forward to improving the quality of life for Orange County residents and businesses by meeting these challenges of today and tomorrow under the direction of the County Executive Office and Board of Supervisors.

## **II. MISSION & GOALS**

### **Mission**

The primary mission of the Resources & Development Management Department is to provide, operate and maintain quality public facilities and regional resources for the residents of Orange County, and safeguard the high quality of life in unincorporated Orange County through stewardship of the environment, application and enforcement of building, water and grading regulations, and planning of strategically balanced communities.

### **Goals**

RDMD accomplishes its mission through the dedicated efforts of its staff who are organized around the Department's core responsibilities (businesses). Each core business has strategic goals, which serve to both guide department staff in performance of their tasks and communicate the value RDMD provides to the community it serves.

RDMD's goals, by core business, are:

#### **Flood Control**

1. Protect Orange County areas from the threat and damage of flooding.

#### **Road Program**

2. Provide a safe and efficient roadway system within the unincorporated County and contract cities.

#### **Harbors, Beaches & Parks**

3. Provide high quality regional recreation facilities that are well maintained, well operated and safe, and offer diverse enjoyable recreational experiences.
4. Preserve and interpret Orange County's historical and natural resources.

#### **Agricultural Commissioner**

5. Provide citizens a basis of value comparison and fair competition by ensuring accuracy of weights and measures system.
6. Prevent exotic plant pest and disease.
7. Protect residents, users, and the environment from pesticide hazards.
8. Protect areas from the threat of wildfire through weed abatement.

#### **Internal Services**

9. Support County agencies and operations by providing services and/or operating and maintaining the following: vehicle fleet, facilities, printing and publishing services, County capital projects, real estate and facilities management activities.

### **Watershed & Coastal Resources**

10. Protect water quality and the beneficial uses of streams and coastal resources throughout Orange County and comply with and enforce water quality laws and regulations.

### **Planning & Development Services**

11. Require and enforce appropriate commercial, building, grading and construction standards to provide a safe living, working and recreational environment.
12. Plan for the availability of a wide range of quality housing and employment opportunities throughout the unincorporated areas of Orange County.
13. Plan for the preservation of open space and protection of sensitive habitats, waterways and wildlife.

### **III. CORE BUSINESS OPERATIONAL PLANS**

#### **Clients**

RDMD's numerous programs and services impact various segments of the entire County, including four main categories of clients:

##### **Regional Client Services**

RDMD serves all of geographic Orange County by providing regional flood control, water quality enhancement, recreation, and agricultural services. These regional services are countywide and are provided equally within city boundaries as well as in unincorporated areas. For most of these services, our clientele is the public at large. For example, everyone who lives, works, or visits Orange County benefits from the infrastructure that minimizes the threat of flooding. Property owners, businesses, and visitors all benefit and therefore are our clients, as are residents in adjacent counties through our involvement in cooperative projects with their local governments.

##### **Municipal Client Services**

For those clients in unincorporated areas, RDMD functions as both the "Public Works" and "Planning" department providing local drainage, road construction, traffic and safety operations, weed abatement, street maintenance, and planning activities such as zoning, permitting, code enforcement, development and demographic analysis. These duties are transferred to city government when an area is annexed by an adjacent city or is incorporated as a new city. The nature of our responsibilities changes from a regional and municipal service provider to a regional-only service provider through the city formation process. In some cases, performance of these municipal services is retained through contracts with the new cities.

##### **County Department Client Services**

Our third set of clients is our internal customers, other agencies and departments of the County of Orange. These are the clients to whom we provide technical assistance, office space and related environmental controls, parking infrastructure, utilities, fleet transportation support, printing and space planning/development services.

In addition, RDMD provides a variety of staff to various County Commissions and Committees such as the City Engineers Flood Control Advisory Committee, Development Processing Review Committee, Planning and HBP Commissions. RDMD acts as the lead agency for recommendations to the Board of Supervisors on all items related to these core businesses.

##### **Private Sector**

The private sector component of RDMD's client profile includes any private entity involved in planning, environmental compliance and development processing within the unincorporated areas of the County. The mix of private sector clients and their accompanying service demands is varied. Examples of the Planning Function's private sector clients include architects, engineers, contractors, individual homeowners and developers. The needs of these clients vary in terms of scope and complexity, from multi-million dollar regional shopping centers to individual homeowners wishing to construct a room addition or swimming pool.

## Orange County Flood Control District's Operational Plan

To achieve RDMD's goal of protecting Orange County areas from the threat and damage of flooding.

### Clients

The clients of the Flood Program include all residents and property owners of Orange County.

CORE BUSINESS: FLOOD CONTROL		
Clients	Service Needs	Services Provided
Residents, property owners, business owners, cities, special districts	Provide regional flood control protection to county residents, municipalities, government agencies and businesses.  Removal of floodplain designations from properties and elimination of costly floodplain insurance payments.	Designing, building, and maintaining flood control channels, dams, and other flood protection facilities.  Monitoring potentially severe storm events and responding to emergencies.  Complying with Federal Clean Water Act standards and related regulations for stormwater and urban runoff.  Cooperating and coordinating with water districts and other local agencies to enhance regional water conservation efforts.  Submit applications to the federal Emergency Management Agency (FEMA) for removal of properties from designated floodplain zones. This activity is accomplished when construction of flood control facilities has been completed.  Permitting connections to and use of the regional flood control system.
Residents, property owners, & businesses throughout the Santa Ana River watershed in San Bernardino, Riverside, & Orange counties	Remove flood threat from the Santa Ana River.	Acquiring land and easements and performing relocations needed to construct the Federal Santa Ana River Mainstem and proposed Prado Dam Projects, supporting the lead agency's efforts to build flood control improvements on the Santa Ana River.
Land developers; contractors; public utility companies; State, Federal and local agencies.	Provide needed assistance to developers and other agencies to design and construct regional flood control amenities that meet OCFCD standards and criteria, as part of the development process.	Preparing cooperative agreements for the construction of public infrastructure with land developers, State, local and Federal agencies.  Reviewing right-of-way deeds, permit applications, environmental documents and other submittals for consistency with OCFCD policies.  Reviewing/approving hydrology submittals, concept studies, permit applications, master plans, runoff management plans, reports, environmental documents for hydrologic and other flood control related policy issues.  Developing standards and providing quality assurance inspections for the construction of public infrastructure by private developers.  Enforcing construction material standards through sampling and laboratory testing.  Issuing permits for private use of public properties or for the modification of infrastructure by private parties.



## **Challenges**

Challenges for the Flood Control Program in 2006 include the following:

**Develop Alternative Funding Sources for Water Quality and Watershed Efforts** - The last six years have seen a dramatic increase in efforts to curb the impacts of urban runoff through collaborative planning processes and regulatory and legislative mandates. However, no reliable local funding sources have been created to accomplish these water quality objectives.

The Orange County Flood Control District (OCFCD) has spent \$20.0 million over the last four fiscal years for watershed and water quality purposes most of which historically have not been required. These Watershed projects are therefore competing for Orange County Flood Control District property tax revenue which would otherwise be used to design and construct improvements to protect our citizens from floods. These improvements ultimately result in the elimination of costly flood insurance premiums for businesses and residents of Orange County.

Flood Control District Funding is already limited in part because the Flood Fund must also divert \$7.86 million in FY 2005-06 of property tax revenue, to continue for twenty years, as a result of the County's bankruptcy settlement, which will sunset in FY 2015-16. The amount diverted each year changes based on assessed value of the property in Unincorporated Orange County. The fund must also fund the maintenance of the flood control system and maintain a reserve amount of \$25 million for emergencies. That along with the Board's recent action to allow tapping the fund for possible prepayment of County's obligations, if needed for cash flow purposes, will result in limited dollars each year to fund new flood control improvement projects. At this rate, completion of all flood control improvements to convey 100-year storm flows in Orange County will take well over 90 years and over \$1.3 billion of capital project expenditures.

The Watershed & Coastal Resources Function is working with the California State Association of Counties (CSAC), the League of Cities, various special districts and individual Orange County cities to find opportunities to create new reliable funding sources to accomplish the mandated and discretionary watershed and water quality objectives of the County's NPDES Permit.

RDMD continues to work with the CEO to increase the funding for Watershed and has submitted a Strategic Priority to increase NCC for this program in the current 2005 Strategic Financial Plan. If approved, General Fund support will increase from slightly under \$2 million to \$5 million annually. This will relieve or significantly reduce the Flood Fund from providing future support to Watershed and use the funds to complete its Capital Improvement Program.

**Incorporate Water Quality and Habitat Enhancements Into the Flood Control Infrastructure** - Orange County Flood Control Channels have been historically engineered and operated in a manner to most efficiently convey storm flows to receiving waters while protecting life and property of the citizens of Orange County. This engineering approach has resulted in flood control infrastructure characterized by reinforced concrete and rock-lined channel facilities.

New community interest in enhancing water quality and protecting and enhancing habitat compels RDMD to engineer projects for multi-use purposes with a much broader vision beyond just the safe conveyance of floodwaters. These multiple uses include flood control, environmental habitat, in-stream sediment stabilization, erosion protection, water quality treatment and recreation. The challenge for RDMD is to find engineering and maintenance solutions to accommodate for multiple uses within channels designed for a specific level of flood capacity which may be affected by the additional uses. An additional challenge is to identify and secure funding sources for construction and maintenance of such facilities.

**Perform Flood Control Maintenance Within A Regulatory Environment** - Maintenance within channels and basins is now regulated by various state and federal agencies. Work must be carefully scheduled to avoid damage to endangered species or their habitat. This requires greater lead time and expense. The challenge for the OCFCD is to establish long-term individual or regional general permits (RGP) that will allow maintenance activities to occur on a repetitive basis without lengthy delays for biological evaluation and reporting. It is the Department's goal to secure a RGP for each watershed. This will be the most efficient way to provide permits for maintenance.

**Acquire Regulatory Permit Approval for Capital Project Construction** - Securing regulatory permits is frequently the critical path for getting a capital project prepared for construction advertising. Delays of several months, and even more than a year, have been experienced. The addition of the Regulatory Permits section has helped to improve communication with state and federal regulators. Further improvement is needed. The Regulatory Permit Section is presently staffed with five employees. This is not adequate for the current volume of permits. The addition of one staff position in FY 2006-07 is proposed for this purpose. This is proposed to be accomplished by transferring a vacant position from another location within Public Works.

**Financing Completion of the Santa Ana River Mainstem/Prado Dam Projects** - As of June 30, 2005 the OCFCD had expended approximately \$309 million on the Santa Ana River (SAR) Mainstem and Prado Dam Projects (Projects). The U. S. Army Corps of Engineers' current estimate of the OCFCD's total cost share obligation for the Projects totals approximately \$413 million. Under the State Flood Subvention Program (Program), flood control districts throughout the State are reimbursed up to seventy percent (70%) of their expenses for flood control projects.

To date, the Program has reimbursed \$121 million of the OCFCD's cost (\$309 million) for these Projects. Due to limited State subvention funding for state-wide flood programs, no additional reimbursements from the State are anticipated in the near future. As of November 30, 2005, the OCFCD had about \$14.3 million in claims submitted to the State which have not been reimbursed. Another \$85.6 million in claims are scheduled to be submitted by June 30, 2006, and \$50 million more is to be submitted by June 2007. If no additional reimbursements occur by the end of FY 2006-07, the amount of unpaid eligible expenses is projected to be \$150 million due to an aggressive Prado Dam Real Property Acquisition Program. Given the potential extraordinary level of unpaid reimbursements claims, the OCFCD intends to continue to urge that State funding for the Program be reinstated in FY 2006-07, but no later than in FY 2007-08.

The OCFCD is also seeking funds to be included in the Federal Fiscal Year 2006-07 budget to continue acquisition of property rights that are necessary to complete construction of the Prado Dam Project. By June 30, 2007, the OCFCD plans to spend \$180 million on real property rights acquisitions and reallocations for the Prado Dam Project.

## **Resources**

The Flood Program encompasses the Flood Fund 400, Accumulated Capital Outlay Fund 404 and Santa Ana River Environmental Enhancement Fund 403. The program is staffed by 261 full-time equivalent positions assigned to several RDMD divisions. Expenditures for the Flood Program funds are budgeted at just over \$138.2 million and being a balanced fund, revenue is budgeted at the same amount.

Revenue is primarily derived from Fund Balance Available, property taxes and State subventions.

## Strategies for Meeting Challenges and Accomplishing Goals

Flood control strategies include the following:

- Exert leadership with the City Engineer Flood Control Advisory Committee to develop priorities for flood control capital projects.
- Continue to develop state-of-the-art staff expertise in flood control technical issues.
- Assist Watershed and Coastal Resources in developing alternate funding sources for water quality expenditures.
- Implement a project management system for capital projects.
- Participate in the development of a Special Area Management Plan in San Diego Creek and San Juan Creek watersheds.
- Evaluate effectiveness and resources devoted to the Regulatory Permits Section.
- Critique project design for compatibility with water quality and habitat objectives.
- Continue use of the maintenance management system for flood facilities.
- Perform training for emergency management.
- Review subdivision development plans to maintain safety and minimize long-term maintenance costs.
- Continue the real property acquisition plan to meet OCFCD's cost share requirements for the Santa Ana River Mainstem/Prado Dam Projects, expedite submittal of State Subvention Program reimbursements claims, and urge elected representatives to support State and Federal funding to complete the Projects.

## Primary Outcome Measures

Performance Measures	FY 04-05 Results	FY 05-06 Plan	FY 05-06 Anticipated Results	FY 06-07 Plan
<b>What:</b> Percentage of OCFCD Channel Miles Constructed to Convey 100-Year Storm.	43.2%	43.9%	43.3%	43.6%
<b>Why:</b> Indicates degree of protection and the remaining threat of flood damage.				
<b>What:</b> Number of flood insurance policies required in Orange County.	28,500 insurance policies	27,500 insurance policies	27,500 insurance policies	27,000 insurance policies
<b>Why:</b> Indicates the requirement for flood insurance in unprotected areas that the department will seek to reduce through infrastructure improvements.				
<b>What:</b> Total premiums paid for flood insurance in Orange County.	\$15,850,000	\$16,165,000	\$16,165,000	\$16,500,000
<b>Why:</b> Indicates the cost of flood insurance in unprotected areas that the department will seek to reduce through infrastructure improvements.				
<b>What:</b> Flood Control Infrastructure Report Card Grade.	Grade "C-"	Grade "C-"	Grade "C-"	Grade Issued Every 5 Years
<b>Why:</b> Indicates the quality of infrastructure construction and maintenance as reported independently by the American Society of Civil Engineers.				

## **Road Operational Plan**

To achieve RDMD's goal of providing a safe and efficient roadway system in the unincorporated and contract city areas of the County.

### **Clients**

For our clients in unincorporated areas, we function as the "Public Works Department" responsible for construction of road infrastructure, traffic and safety operations, street maintenance, and related services. These duties are transferred to city government when an area is annexed by an adjacent city or is incorporated as a new city, unless work is contracted back to the County.

<b>CORE BUSINESS: ROAD SYSTEM</b>		
<b>Clients</b>	<b>Service Needs</b>	<b>Services Provided</b>
Drivers, pedestrians, and cyclists on streets in unincorporated Orange County & Public at large.	Provide safe and efficient street, roadway and trail systems.	Securing funding to develop road and trail projects. Designing, building, and maintaining streets, bridges and local drainage systems. Ensuring traffic safety through the Orange County Traffic Committee. Designing, installing, and operating traffic control systems.
Land developers; public utility companies; cities and other local agencies; contractors, State and Federal agencies; other County departments & government agencies.	Ensure that permitted roadway improvements meet County design standards.	Developing standards and providing quality assurance inspections for the construction of public infrastructure by private developers. Enforcing construction material standards through sampling and laboratory testing. Issuing permits for private use of public properties or for the modification of infrastructure by private parties. Participating on steering committees, working with special interest groups and organizations.
Six cities; Transportation Corridor Agency; CALTRANS & OCTA.	Cities and agencies not having public works components and/or requiring support to their existing operations rely upon contract maintenance with the County to maintain infrastructure.	Providing public works maintenance and traffic engineering services under contract. Managing public works construction projects. Providing project management and engineering and construction management services to local municipalities and the OCTA on joint projects.

## **Challenges**

Challenges for the Road Program in 2006 include the following:

**Sustaining a Road Maintenance Program and Implementing a Capital Improvements Program (CIP)** - Although it is anticipated that additional city incorporations and annexations will occur in unincorporated Orange County, the approval of new development in south Orange County will continue for several years, with on-going maintenance responsibilities and implementation of the CIP expected to continue.

In addition to annual road maintenance, another important road function is to provide a safe and efficient roadway system by implementation of new roads in the CIP. Not surprisingly, the challenge is to identify funding for this program. As a result, RDMD is constantly seeking to supplement Road Fund gas tax revenues with grant funds. While the largest source of grant funding includes Measure M competitive programs, the Department also applies for all available grants, to augment funding.

As mentioned earlier, RDMD is contributing over \$38.72 million per year to the County bankruptcy recovery. Of that \$38.72 million, the Road Fund is contributing \$23 million per year until FY 2015-16. This significantly impacts the Road Fund and results in insufficient funding to keep up with ongoing maintenance, as well as fully funding the CIP.

Adding to the challenges this year are efforts by the Orange County Transportation Authority (OCTA) to continue receiving the \$23 million of Gas Tax funds due back to the County in 2013, when the County's bankruptcy recovery debt service obligations will be fulfilled. These County Road funds were temporarily diverted to OCTA as part of the bankruptcy recovery agreement. OCTA and the cities have claimed that since the unincorporated area in the County is getting smaller as a result of incorporations and annexations, the County will no longer require a significant CIP and will have a considerably smaller maintenance obligation. RDMD/Road Division has been working with the County CEO's office on various studies demonstrating the on-going need for these Gas Tax funds for both the continuing CIP as well as on-going maintenance. There is no assurance that the remaining unincorporated areas will be annexed, as evidenced by the recent rejection of annexation by the voters in the Anaheim Colonia Independencia Island. Resolving the status of these Gas Tax Funds will continue to be a challenge, not just this year but in the coming years.

In addition to OCTA and the collective cities' interest in RDMD Gas Tax funds, individual cities are also inquiring about obtaining these funds directly. In some cases, these requests for funds would supplant the responsibilities of other parties to construct roadway improvements. RDMD plans to oppose the use of the County's Gas Tax revenue for city projects.

The Governor has recently re-authorized the payment of Proposition 42 funds to the counties and cities throughout the State. These gas tax funds were previously diverted to the State General Fund as a result of State budgeting challenges. These funds must be used for pavement rehabilitation projects and drainage improvements (e.g. are not intended for new projects). The County (unincorporated County) will receive \$8 million in Proposition 42 funds in FY 2005-06. These funds have to be spent by June 30, 2007 per the terms of Proposition 42. One of RDMD's challenges will be to spend all of these funds by the deadline. Any funds unspent will revert back to the State. To insure that we spend all of these funds by the 2007 deadline, the County will retain sufficient contracted Architect/Engineer firms to assist in project design and construction.

Specific Road Program challenges include identification of funding for larger CIP projects, such as La Pata Avenue, Alton Parkway, Katella Avenue, Antonio Parkway and Irvine Avenue. Additional funding will also have to be identified for committed projects that now require higher than anticipated costs, such as Laguna Canyon Road. RDMD also faces the challenge of completing several partially funded future public roadway improvements needed pursuant to the Development Agreement with the Rancho Mission Viejo Company.

**Implement Water Quality Best Management Practices for County Roads** - Implementation of water quality Best Management Practices (BMP) continues to represent a main focus for the design, construction and maintenance of County roads. In addition to increased street sweeping and storm drain cleaning, RDMD projects are incorporating onsite water quality basins for sediment control and water percolation. These types of BMP's require additional construction and right-of-way costs and related long-term operation and maintenance responsibilities. The challenge is to creatively implement water quality objectives in the roadway system without sacrificing safety or creating extraordinary maintenance costs.

**Acquire Regulatory Permit Approval for Capital Project Construction** - Securing regulatory permits remains the single most difficult element of delivering road capital projects and related construction advertising. Regulatory agencies continue to maintain a perspective in which their reviews only consider their limited objectives of protecting and restoring habitat and water quality. These competing objectives add cost and often cause delays in projects as the County strives to develop cost-effective designs to meet increased environmental requirements to protect species and habitat and mitigate the impact of the projects. The addition of the Regulatory Permits Section has helped to improve communication with State and Federal regulators.

This challenge requires a focused review on project designs. The designers and project managers must be open-minded and skilled negotiators to develop a project that will accomplish the Department's objectives. We continue to work cooperatively with the Corps of Engineers, State Fish and Game and U.S. Fish & Wildlife to incorporate the County's La Pata Avenue Gap Closure project into the Natural Community Conservation Planning (NCCP) program.

## **Resources**

The Road Program is funded through the Road Fund 115 and the Special District Fund 148. The program is staffed by 222 full-time equivalent positions located in several RDMD divisions. Expenditures and revenues for all Road funds are budgeted at nearly \$85 million. Revenue is derived from a number of sources including gas tax, sales tax on gasoline, interest earnings, Mello-Roos bond sales, major thoroughfare and bridge fees, and Measure M grants.

Sufficient monies to operate and maintain roads so that they are safe and can support the overall traffic needs of the County must be balanced against the need for new programs eligible for road funding. To assure an appropriate balance, RDMD will continue to pursue additional grant funding from State, Federal and OCTA sources whenever possible.



## Strategies for Meeting Challenges and Accomplishing Goals

Road strategies include the following:

- Develop recurring long-term revenue sources for County road maintenance.
- Vigorously negotiate and work with CEO to retain all Gas Tax funds needed to implement our capital improvement program and maintain the unincorporated County road system.
- Implement a project management system for capital projects.
- Continue use of the Orange County pavement management system.
- Capture all sales tax on gasoline revenues available to the Road Fund.
- Supplement Road Funds for capital projects with available grants.
- Influence choice of best management practices based on minimizing long-term maintenance costs.
- Evaluate effectiveness and resources devoted to the Regulatory Permits Division.
- Review subdivision development plans to maintain safety and minimize long-term maintenance costs.

## Primary Outcome Measures

Performance Measures	FY 04-05 Results	FY 05-06 Plan	FY 05-06 Anticipated Results	FY 06-07 Plan
<b>What:</b> Number of reported traffic accidents per centerline mile of unincorporated County roads.	2.0 reported accidents per mile	2.0 reported accidents per mile	1.4 reported accidents per mile	1.4 reported accidents per mile
<b>Why:</b> Indicates safety of roadway system operated by the County.				
<b>What:</b> Percentage of unincorporated County roads with a surface pavement condition rating of "Good".	86%	90%	90%	91%
<b>Why:</b> Indicates condition of pavement maintenance as the result of good pavement management practices. Well-maintained pavement costs less to keep in service over time.				
<b>What:</b> Percentage of unincorporated County arterial intersections with acceptable operating speed as determined independently by the Orange County Transportation Authority.	94%	94%	94%	94%
<b>Why:</b> Indicates efficiency of roadway system in unincorporated areas as the result of design improvements.				

## **Harbors, Beaches & Parks Operational Plan**

To achieve RDMD's goals of (1) providing high quality regional recreation facilities that are well maintained, well operated and safe; offering diverse and enjoyable recreational experiences and (2) preserving and interpreting Orange County's historical and natural resources.

### **Clients**

HBP's clients include all County residents and visitors pursuing recreational, cultural and historical interests.

<b>CORE BUSINESS: HARBORS BEACHES &amp; PARKS</b>		
<b>Clients</b>	<b>Service Needs</b>	<b>Services Provided</b>
Local residents; recreational users, hikers, bicyclists, boaters, equestrians, tourists; environmental support groups; historical societies; youth organizations, school groups; film industry.	Facilities that are: <ul style="list-style-type: none"> <li>• Safe</li> <li>• Affordable</li> <li>• Aesthetically pleasing</li> <li>• Accessible (ADA compliant)</li> <li>• Recreationally diverse</li> </ul> Specialty facilities (e.g. equestrian parking; fishing docks; boat slips). Environmental sensitivity/education. Trails and bikeways connectivity.	Providing varied recreational opportunities such as regional parks, wilderness parks, beaches, trails, historical sites, and harbors. Promoting environmental education and awareness via interpretive programs, nature centers, the HBP Web site and the O.C. Zoo. Providing special event sites for weddings, corporate picnics, and recreation programs.
Businesses with leases and concessions on public property managed by RDMD.	Fair return on capital investment. Conduct business competitively and to industry standards.	Developing and administering private sector activities that provide additional amenities for our general public clients while generating revenues for our programs.

### **Challenges**

HBP challenges in 2006 are as follows:

#### **Overriding Challenge:**

**Funding Available for Operational Costs** - The current fiscal condition of the HBP Fund continues to face critical challenges as has been the case for several years. Annual operating income (primary funding sources: property taxes, user fees and lease rents) is generally equal to the costs of current operational service levels and programs. A key reason for this is that HBP provides funds for bankruptcy recovery efforts which will continue until FY 2015-16. This diversion of annual income began at \$4 million in the FY 1995-96 base year, and increases annually by the increase in assessed valuation and has reached \$7.86 million for FY 2005-06. At the conclusion of this fiscal year, HBP will have contributed nearly \$56 million to bankruptcy recovery over the past ten years. Because annual HBP revenues are generally equal to annual operating costs at current levels of service: (1) there is no funding support added costs for new or expanded facilities, and (2) there is no annual HBP income available to fund capital projects or new facilities, subject to funding being made available from grants, donations, corporate sponsorships, or more recently Board consideration and approval of transfers of funding from the County General Fund.

**Funding Available for Capital Costs** - Over the past three years the Board of Supervisors has recognized the precarious fiscal condition of the HBP Fund and the difficulty of funding an effective capital program exclusively from traditional HBP revenue sources that are fully consumed with funding operational costs. The HBP capital program includes performing major maintenance and refurbishment of HBP capital assets and infrastructure. In November 2003, the Board allocated \$13.9 million in Proposition 40 per capita grant funds to the highest priority HBP deferred maintenance projects. In FYs 2004-05 and 2005-06, the Board allocated funding from the County General Fund to the HBP Fund for HBP capital projects, partially defraying HBP's \$56 million contribution (to date) toward the County's bankruptcy recovery, and summarized as follows:

- \$3.0 million in FY 2004-05 in the Quarterly Budget Report, offsetting nearly half of the combined FYs 2004-05 and 2005-06 HBP added loss of property taxes due to the State's ERAF shift in those two years.
- \$1.673 million in FY 2005-06, sharing with the HBP Fund the County's annual savings in bankruptcy debt service costs; the Board also committed to continued annual payments to the HBP Fund of \$1.875 million over the next four years.
- \$7 million in FY 2005-06 from the County General Fund's surplus FY 2004-05 FBA allocated to HBP Fund 405 in the 1<sup>st</sup> Quarterly Budget Report.

The above actions by the Board in support of the HBP program represent the first times that the HBP Fund has received any County General Fund financial support. These allocations by the Board allow for taking care of the most critical capital repair needs of HBP facilities. However, there will continue to be insufficient traditional HBP revenues to fund major repairs or reconstruction of existing aging facilities and their infrastructure components or for performing dredging responsibilities for the foreseeable future, i.e. until 2016 when the diversion of HBP property taxes to bankruptcy recovery costs is scheduled to end.

Despite the continuing strained fiscal condition of the HBP Fund, demands and proposals for HBP program services and expanded facilities continue to increase as the county's population increases and as the public's interest in open space and habitat preservation continues to grow. And as previously indicated, even to the extent grants are obtained or County General Funds are allocated to develop new HBP facilities, there are currently insufficient annual HBP revenues to absorb the added operating costs of new facilities. The following identifies some specific challenges RDMD is addressing in the HBP program to balance public demands and desires with the available funding resources.

#### Specific Challenges:

**Aging Facilities and Infrastructure; Depletion of Reserves** - RDMD/HBP's priority for grants, County General Fund, and other limited capital funding is for projects that preserve or restore the useful life of structures and infrastructure at existing facilities serving the public. The two most critical such projects have been conversion of the existing outdated and deteriorating septic sewer systems to domestic sewer service at the County's two oldest regional parks, Irvine (1897) and O'Neill (1948). The Irvine project was completed in 2005. The O'Neill project is budgeted in FY 2005-06 and a construction contract for the project is scheduled to be awarded in early 2006. Funding for both projects was provided primarily from HBP Fund Reserves, which had accumulated in earlier years when recurring annual HBP revenues exceeded costs.

The Board's allocation of \$13.9 million Proposition 40 funds for HBP regional recreation facilities major maintenance, refurbishment and replacement projects is resulting in many new and enhanced facility structures and infrastructure; however, over \$9 million in currently identified but lesser priority projects were unfunded until the Board's recent allocations of County General Funds for HBP capital projects; HBP is still in the process of determining the most appropriate uses (i.e. specific projects and/or replenish Reserves) of the recently allocated \$7 million from the County General Fund. As older HBP facilities continue to age, the needs for further major refurbishment and replacement will continue. However, with no other HBP funding forecast to replenish the Reserves, RDMD has programmed using the limited remaining Reserves for the most critical needs. These are to preserve or restore other deteriorated facilities as they occur and, in minor amounts, for "matching" requirements of grants that otherwise fund nearly 100% of a desirable capital project. A current practical example of these challenges is the recently determined emergency need to replace the existing "Edinger Bridge", which serves as the sole vehicular access to HBP's Sunset Aquatic Park leasehold marina and boat/storage launching facility, at a preliminary estimated cost of \$5.0 million.

**New Capital Projects** - The HBP Five Year Capital Program in the County's Strategic Financial Plan for the HBP Fund provides for only one capital project that is not fully or primarily funded by grants from others or from County General Fund allocations: dredging at Sunset Harbor (\$2.1 million) which is a legal requirement. Any other capital projects over the next five years and beyond are forecast to be reliant on future grant opportunities and possible County General Fund allocations, or in utilizing the limited remaining Reserves to meet critical needs for restoring deteriorated facilities or performing future required dredging. Examples of desirable new facility projects for which there is insufficient current or projected funding include: Laguna Coast Wilderness Park, Phase 2 (over \$1.0 million); Weider Regional Park, Phase 2 (\$4.5 million); and Irvine Ranch Historic Park, Phase 2 (\$7.4 million). In addition to no capital funding for these projects, there is currently no funding planned or available for the ongoing operating costs of the new facilities as they are built.

**Challenges Summary** - HBP does not have the fiscal resources to fund new, currently unknown or unbudgeted projects or programs. The fiscal ability to implement any new programs would first require a reassessment of existing HBP Program priorities and commitments and development of an HBP Strategic Plan. It is RDMD's plan to only provide current HBP Program levels of service that are within available resources.

RDMD will have to balance the need to maintain existing HBP facilities and programs against capital project and other strategic priorities. Maintaining this balance presents significant challenges and could result in measures such as closing selected facilities, reduced hours of operations, reduction or elimination of programs or services, and establishing new sources of continuing revenues.

## **Resources**

The County manages over 39,000 acres of regional park and open space lands, including over 32,000 acres of regional recreation facilities owned or leased by the County and directly managed by RDMD/HBP, plus another 7,000 acres in open space and scenic preservation and other easements that buffer and adjoin HBP facilities. The County's HBP facilities provide Orange County residents with a wide range of recreational opportunities, including large open space areas located in both urbanized and remote areas, a service that cities are unable to provide through their local parks programs thereby allowing the County's system of regional facilities to uniquely service an important recreational need.

The HBP Fund, including the direct HBP Program and support from other RDMD service divisions is staffed by 249 positions. Seasonal extra-help is utilized to supplement core staffing. Overtime is used primarily to accommodate holiday park attendance, weather emergencies and the need to respond to pollution spills, fire, and other emergency incidents.

The recurring annual financing for HBP operations and maintenance comes from property taxes, rents and user fees. The Newport Bay Tidelands Fund contains income and expenses from RDMD's management of certain tidelands properties granted in trust from the State to the County, and dispersed throughout Newport Harbor and Upper Newport Bay. This Fund is financed primarily by revenue derived from rents and leases of these tidelands properties. State law mandates that the income from the County tidelands properties may only be used for expenses upon or directly benefiting the granted tidelands.

## **Strategies for Meeting Challenges and Accomplishing Goals**

### **Strategic Planning:**

RDMD has undertaken the creation of a Strategic Plan to assess critical HBP Program priorities, establish long-range goals, and develop action plans to meet these goals and fiscal challenges. The strategic planning process will incorporate Board Strategic Priorities, will assess the viability of the current long-range capital development plans, revenues and other resources, and then factor them into HBP priorities and goals that in turn will be factored into the annual budget process.

The HBP Strategic Plan process is proposed to include:

- Separate surveys of County residents and facility visitors to ascertain patron recreational needs, satisfaction with, and knowledge of, County recreational facilities, including but not limited to:
  - Survey of where HBP facilities visitors reside.
  - Survey of RDMD/HBP employees.
- Interviews of HBP management.
- Public/stakeholder meetings at different County locations.
- Interactive participation opportunities for all HBP employees.
- Incorporation of Board, CEO, & Executive Management priorities.

This proposed Strategic Plan process was presented to the Board in a Public Workshop on December 13, 2005. The Board generally endorsed the process and made suggestions on the composition of a Stakeholders Advisory Committee to assist RDMD in developing the Strategic Plan. The Strategic Plan is targeted to be completed and submitted to the Board of Supervisors by the end of 2006. The approved Strategic Plan will be reviewed and subject to amendment annually, depending on changing future circumstances.

### Regional Recreation Facilities Management:

- Continue to employ cost containment strategies and expand upon those to the extent possible without diminishing levels of service to the public.
- Continue to identify existing County HBP facilities that do not reflect HBP core business purposes, and to arrange for transfer of such facilities to a more suitable service provider.
- Limit new capital projects and land acquisitions to those that can be accomplished with minimal HBP costs through grants, donations, dedications, etc., and which result in no substantive added ongoing operating costs.
- Perform a “capital facilities replacement and funding study” of current physical conditions of existing facilities and infrastructure, their projected remaining service life, and their estimated costs and funding alternatives.
- Continue and expand partnering and sponsorship opportunities with other agencies, and private parties and entities, for added revenue generation and to extend the use of limited HBP Program resources.
- Review all existing fees with the dual goals of ensuring that fees reflect competitive market and demand levels, and to increase revenues.
- Maximize the availability of grant funding.
- Continue to present interpretive programs and nature centers to promote environmental education and awareness, encouraging respect for and preservation of natural resources.

### Initiatives for Restructuring Funding Responsibilities

Recognition by the Board, the CEO and other agencies of the fiscal condition of the HBP Fund have led to creative initiatives to reevaluate and consider alternatives for funding of activities and services that have traditionally been funded by the HBP Fund. Areas currently being actively pursued at Board or CEO direction with RDMD participation are as follows:

- At the direction of the Board of Supervisors, funding responsibility for Harbor Patrol is an ongoing analysis led by the CEO involving alternative funding sources for the \$10.5 million annual Harbor Patrol cost (\$5.25 million HBP Fund; \$1.58 million Newport Tidelands Fund; \$3.67 million Dana Point Tidelands Fund). The Study is estimated to be completed in mid-February 2006.
- In response to the City of Newport Beach, CEO and the City are examining Upper Newport Bay and Newport Harbor recreational and natural resource protection services performed by the County, to determine the financial impact of transferring operational responsibilities (e.g. Upper Newport Bay Nature Preserve and Muth Interpretive Center) and funding (e.g. County Tidelands, including Newport Dunes Resort leasehold) from the HBP function to the City. Analysis is ongoing.



## Primary Outcome Measures

Performance Measures	FY 04-05 Results	FY 05-06 Plan	FY 05-06 Anticipated Results	FY 06-07 Plan
<b>What:</b> Percentage of visitors rating the quality of parks as good or excellent as reported in a valid survey.	N/A	N/A	N/A	Survey Under Development to be completed by July 2006
<b>Why:</b> Indicates quality of opportunities for people to learn, relax, recreate, and interact.				
<b>What:</b> Average quality ratings by trained observers using a consistent observer rating form.	N/A	N/A	N/A	Survey Under Development to be completed by July 2006
<b>Why:</b> Indicates quality of opportunities for people to learn, relax, recreate, and interact.				
<b>What:</b> Percentage of residents rating the quality of beaches as good or excellent as reported in a valid survey.	N/A	N/A	N/A	Survey Under Development to be completed by July 2006
<b>Why:</b> Indicates quality of opportunities for people to learn, relax, recreate, and interact.				
<b>What:</b> Average quality ratings by trained observers reviewing beach condition using a consistent observer rating form.	N/A	N/A	N/A	Survey Under Development to be completed by July 2006
<b>Why:</b> Indicates quality of opportunities for people to learn, relax, recreate, and interact.				
<b>What:</b> Added number of acres managed as open space.	1,331 acres	70 acres	300 acres	240 acres
<b>Why:</b> Indicates result of preserving and protecting Orange County's natural areas and open space habitats.				
<b>What:</b> Acres of exotic invasive plants removed from HBP lands.	N/A (new)	24 acres	15 acres	24 acres
<b>Why:</b> Indicates progress in preserving and protecting Orange County's natural areas and open space habitats.				
<b>What:</b> Added acres of restored native vegetation established on HBP lands.	N/A (new)	1 acre	0 acres	8 acres
<b>Why:</b> Indicates result of restoring Orange County's natural areas and open space habitats to their more native state.				

## **Agricultural Commissioner Operational Plan**

To achieve RDMD's goals of (1) providing citizens a basis of value comparison and fair competition by ensuring accuracy of weighing and measurement systems, (2) preventing exotic plant pest and disease, (3) protecting residents, users, and the environment from pesticide hazards, and (4) protecting areas from the threat of wildfire through weed abatement.

### **Clients**

Agricultural Commissioner Services are countywide and are provided equally within city boundaries as well as in unincorporated areas.

California law designates the State as responsible for the overall statewide enforcement programs. As a result, the State has established the following objectives:

- Oversees all local enforcement programs of the County Agricultural Commissioner.
- Assists in program planning for commercial enforcement.
- Evaluates the effectiveness of County programs.
- Provides guidance to County Agricultural Commissioners.
- Assures uniform implementation of laws and regulations for the commercial clients listed below.

Outcome measures for the Agricultural Commissioner are designed to meet the prescriptive requirements of the State of California, who represents the primary customer.

Within the County, clients of this core business are listed below.

<b>CORE BUSINESS: AGRICULTURAL COMMISSIONER</b>		
<b>Clients</b>	<b>Service Needs</b>	<b>Services Provided</b>
Structural pest control operators, landscape gardeners, qualified applicators, farms, cities, special districts, schools, industry, manufacturing, food processing, institutions, and agricultural pest control operators.	Business and industry rely upon effective pesticide regulation to provide for continued use of pesticides essential for production of food and fiber and for protection of public health and safety.	The Food and Agricultural Code mandates that all pesticide use in the County shall be regulated by the Agricultural Commissioner who is responsible for local enforcement of the California statewide pesticide program.
Gasoline stations, mobile home parks, taxicab firms, warehouses, distribution centers, wholesalers, food processors, specialty stores, LPG retailers, water vending retailers, wholesale meter operators, airports, marinas, supermarkets, retailers, parcel post companies, factories, recycling centers, and vehicle scale operators.	Consumers, business and industry rely on weights & measures enforcement to maintain a level playing field in commercial transactions. Failure to provide weights & measures inspections can result in a lack of public confidence in the channels of trade.	The Business and Professions Code mandates that all commercial weighing and measuring devices shall be inspected by the County Sealer of Weights and Measures, who is also required to inspect and test for shortages in packaged goods, and inspect price signs for petroleum products.
Postal and package carriers, cut flower industry, plant nurseries, airport freight companies, sea freight companies, wholesale and retail produce companies, plant brokers, private parties, and household movers.	Serious plant pests can affect numerous industries or change ecological balances. The economic loss caused by pests can be compounded by embargoes placed on California food or plant exports.	The Food and Agricultural Code requires the Agricultural Commissioner to inspect incoming plant materials. Several million packages are released by Orange County Agricultural Inspectors each year.

CORE BUSINESS: AGRICULTURAL COMMISSIONER		
Clients	Service Needs	Services Provided
Plant nurseries, plant and fruit industries (broker, packers and shippers), egg distribution centers, wholesalers, supermarkets, farms, seed wholesalers and retailers, and farmers markets.	Commodities are expedited through the marketplace while providing stability to product quality and protection from unfair trade practices.	The Food and Agricultural Code requires this office to regulate outgoing plant shipments, nursery inspection, fruit and vegetable inspection, farmers markets, seed inspection and egg quality enforcement within the County.
Structural pest control operators, landscape gardeners, schools, farmers, plant nurseries, food processors, manufacturing, institutions, and County residents.	The identification of serious plant pests can help reduce control costs.	The Food and Agricultural Code mandates that the Agricultural Commissioner is required to identify pests.
Property owners in unincorporated Orange County.	To reduce the occurrence of uncontrolled wildfire, a major threat to property owners and their possessions. As illustrated in the 1993 Laguna Wildfire, hundreds of millions of dollars in property losses occurred within hours.	The Health and Safety Code authorizes this office to administer the weed abatement program for 42,000 properties in unincorporated areas. This includes property surveillance for flammable hazards and resolving violations and weed complaints.

## **Challenges**

A prevailing element to every challenge for the Orange County Agricultural Commissioner is the relationship of this office to the State. The County Agricultural Commissioner serves as a State officer and is required to respond and adapt to continuing State directives for recent enforcement programs that remain a high-priority for 2006.

**Glassy-Winged Sharpshooter/Pierce's Disease Program** - The State provides full funding for the Glassy-Winged Sharpshooter/Pierce's Disease Program that was established by the California Department of Food and Agriculture (CDFA). This cost-recovery program is administered in each county by the Agricultural Commissioner.

The objective of the CDFA Glassy-Winged Sharpshooter/Pierce's Disease Program is to provide an effective inspection system to prevent the further spread of the Glassy-Winged Sharpshooter in California. This pest carries a serious plant disease, Pierce's Disease, which threatens California's multi-billion dollar grape industry. The program consists of additional nursery stock inspection, performing surveys, and maintaining an outreach program with the production nursery industry in conjunction with the State.

**High Risk Pest Exclusion Program** - The California Department of Food and Agriculture will provide funding to the County to continue a cost-recovery inspection program to detect high-risk insects in shipping facilities such as production nurseries, UPS, Federal Express, and US Postal Service. This includes the inspection of high-risk plant shipments pertaining to disease control to provide an effective inspection system against the artificial spread of oak mortality disease (sudden oak death). All nurseries in California are operating under a statewide federal emergency order (quarantine). All shipments of plant hosts or associated hosts that can become infected with *Phytophthora ramorum* and are destined to other states must be accompanied by a certificate indicating compliance with federal requirements.

## **Resources**

This program is staffed by 45 positions and has a budget of slightly over \$3.9 million. Most of the revenue required for this program is received from State contracts and grants. Approximately \$1.3 million is required to fund activities not reimbursed by the State and local weed abatement activities not covered by fees.

The objective of the Weed Abatement Program is to provide a reasonable degree of fire safety in the unincorporated areas of the County and to abate serious fire concerns. Legal authority for the Weed Abatement Program is derived through State and local law, including Health and Safety Code Sections 14875-14920.

Government Code Section 50076 and the Health & Safety Code Section 14912 limit the recovery of weed abatement enforcement costs to the properties actually cleaned by the County. All other costs of administering the program cannot be recovered and result in Net County Cost.

RDMD received State funding to continue high-risk insect detection in shipping facilities and State funding for the Glassy-Winged Sharpshooter Program, which consists of additional nursery stock inspection and maintaining an outreach program with the production nursery industry in conjunction with the State. The Agricultural Commissioner and California Department of Food and Agriculture continue to monitor and evaluate program effectiveness. The State oversees the work plan and provides program evaluation.

## **Strategies for Meeting Challenges and Accomplishing Goals**

- The Agricultural Commissioner will continue its programs of training staff, educating the public, seeking State funding and cooperatively partnering with the State to achieve its goals. The State of California audits the performance results of the Agricultural Commissioner enforcement programs.

## Primary Outcome Measures

Performance Measures	FY 04-05 Results	FY 05-06 Plan	FY 05-06 Anticipated Results	FY 06-07 Plan
<b>What:</b> Number of valid citizen complaints regarding weights and measures discrepancies per 100,000 residents.	0.7	1.5	1.5	1.5
<b>Why:</b> Indicates diligence in providing citizens with a basis of value comparisons and fair competition through accurate weighing and measuring systems.				
<b>What:</b> Number of valid exotic plant pest and disease reported per 100,000 residents.	5.8	5.0	5.0	5.0
<b>Why:</b> Indicates effectiveness of plant pest and disease prevention program.				
Number of valid cases of pesticide related illness reported per 100,000 residents.	2005 State summary expected to be released in February 2007	1.0	1.0	1.0
<b>Why:</b> Indicates effectiveness of pesticide illness prevention program.				
<b>What:</b> Total number of unincorporated acres burned by wildfire.	114 Acres	500 Acres	500 Acres	500 Acres
<b>Why:</b> Indicates effectiveness of weed abatement program and the potential reduction in wildfire risk.				

## **Internal Services Operational Plan**

To achieve RDMD's goals of supporting County agencies and operations by (1) operating and maintaining the vehicle fleet, (2) operating and maintaining facilities including County-owned parking structures for public and employee parking, (3) providing printing and publishing services and, (4) managing County capital projects.

### **Clients**

Internal Services' primary clients are agencies and departments of the County of Orange and other governmental agencies. We provide project management services, office space management, maintenance and related environmental controls, parking infrastructure, utilities, fleet transportation support and printing services for these clients.

<b>CORE BUSINESS: INTERNAL SERVICES TO OTHER COUNTY DEPARTMENTS</b>		
<b>Clients</b>	<b>Service Needs</b>	<b>Services Provided</b>
County Departments	<p>The public who use County services and County employees who work in County facilities rely on buildings and grounds to be safe, healthful and provide normal operational functions. Equipment and systems must be maintained in operational order. This includes structural, electrical/mechanical, HVAC, security devices and custodial services to County-operated facilities.</p> <p>County departments and the courts rely on a variety of support services to conduct their daily business.</p> <p>Provide project management services to ensure County projects are implemented within budgets, on time, and satisfy the user's needs.</p>	<p>Maintaining and repairing buildings and their systems for lighting, heating, cooling, etc.</p> <p>Managing major construction of and additions to County-owned buildings.</p> <p>Installing and maintaining building card access systems; maintaining the County master key system.</p> <p>Preparing and managing the utility budget.</p> <p>Purchasing, repairing, and customizing vehicles and heavy equipment; managing a large fleet for County use.</p> <p>Graphic design, printing, photocopying, and bindery services.</p> <p>Operating County parking facilities.</p> <p>Delivering interdepartmental mail.</p> <p>Providing project management services for architecture, engineering and construction for public works-type projects.</p> <p>Providing technical assistance in real estate acquisition and management.</p>
Santa Ana Civic Center, which includes city, County, State, and Federal government	<p>Components of city, County, State, and Federal governments depend upon reliable utilities and the availability of public parking to conduct daily business.</p>	<p>Operating the Central Utility Facility which provides steam for heating and cooking as well as chilled water for cooling buildings.</p> <p>Operating County parking facilities.</p>

## **Challenges**

Internal Services' operating environment is largely determined by the demand of the County clientele that it serves, and is primarily funded through County General Fund dollars and charges for the services provided. Since the County bankruptcy and subsequent creation of RDMD, the primary focus for these services has been to provide essential services with an emphasis on cost reduction or avoidance. In most areas, current levels of service are at a *minimum* when taking into account the demand of our clients, combined with ensuring that such activities are conducted in compliance with existing regulations and mandates that govern the provision of such services. Given the existing environment, several challenges present themselves if Internal Services is to continue moving forward in its efforts to provide quality services.

**Provide Essential Services within Existing Resources** - One of Internal Services' objectives is to deliver services in a high quality and competitive manner, while meeting the essential needs of County agencies and departments. If available funding sources are reduced to our customers, this will likely result in flat or reduced revenue for Internal Service operations in the upcoming fiscal year. At the same time, the demand for our services is not likely to decrease since many of the functions being provided are not discretionary. Therefore, acknowledging and responding to this situation in a proactive manner is an important task that must continue to be addressed in the upcoming year. The challenge remains "to do more with less". In the context of providing our essential services within existing or diminishing resources, there are several areas that continue to be explored. These include:

- *Improve Customer Service Through Utilization of New Technology, Better Training, Effective Project Management and Incorporation of Best Management Practices*

Internal Services is continually searching for opportunities to reduce costs and improve services within existing resource levels. To some extent, this can be accomplished through the enhanced use of technology, improved training of staff, improved project management, and identification and incorporation of best management practices when appropriate.

The enhanced use of technology has played an important role in improving services in areas such as facility maintenance, asset management, fleet management and publishing services. Each of these areas has incorporated new information technology applications to improve workload processes and provide substantial evaluation tools. Staff development represents another strategy that has been used to improve services. Recognizing the value of continual training and education, Internal Services will continue to emphasize and focus on implementing a comprehensive on-going training plan (this includes a multi-course program in Project Management techniques for public works and capital projects) for all its employees this year. The Project Management training program will be developed and implemented in conjunction with a planned revision of the Project Manager classification series that is currently under review by Central Human Resources. Approval is expected in Spring 2006 at which time development of the training program should also be underway. Along with these approaches, Internal Services will continue to identify and implement best management practices related to resource distribution, workflow processes and customer service. Increased contact with other organizations through attendance at professional conferences, committee participation and general networking will assist staff in identifying top industry standards in service areas.

- *Continue to Implement an Effective Preventive Maintenance Program*

Over the last year, Internal Services has been successful in bringing this issue forward as a strategic priority for the County to consider. The goal of the Preventive Maintenance (PM) program is to prevent continued deterioration of County facilities, reduce emergency repair costs, avoid costly building/system shutdowns, and be proactive regarding the stewardship of public buildings and use of public funds.

At the direction of the Board, Internal Services implemented Phase I of the PM Program in October 2003. This phase included the establishment of a four person PM team to work a swing shift. An important element of the program consists of using data from the computerized maintenance management program (CMMS), which was installed in 1998 by the Facilities Operations Division. CMMS provides profiles of the systems and components comprising the building infrastructure, and maintenance histories for those components. CMMS also provides industry standards for preventative maintenance of building infrastructure and assists staff in prioritizing preventative maintenance facility needs.

Phase I was approved with limited resources as a pilot program directed at certain facilities and systems. PM is a long-term strategy intended to show results over an extended period of time. The results from the first phase have been favorable, but success of this program depends upon continued funding. Additional resources were redirected to this program in FY 2005-06. Further expansion of the program to cover other facilities and systems is currently being considered. Therefore, additional resources for the program will be requested in the FY 2006-07 budget.

As part of the 2005 Strategic Financial Plan (SFP) approved by the Board on December 13, 2005, the CEO recommended for Preventative Maintenance (which was in the top 10 Priorities) \$100,000 NCC funding in FY 2006-07 with annual re-evaluation for continued and additional funding each following new fiscal year. The SFP submittal for Preventative Maintenance called for the expansion of the program through the addition of four positions in FY 2006-07. The \$100,000 is in response to this request and RDMD will plan for the use of these NCC funds to achieve as much of the planned FY 2006-07 four position expansion as possible through leveraging of increased revenue and other funding sources.

- *Implementation of Mid- and Long-term Options of the Strategic Energy Plan*

The County, RDMD and Internal Services continue to identify projects and seek outside funding so that long-term energy costs can be reduced and reliable energy sources can be put into place. Energy efficient lighting controls projects were completed in the Hall of Administration, Building #12, Manchester Office Building and the Public Defender Headquarters; the County Operations Center was connected to the Data Center generator to protect against rolling outages; five micro turbines were connected to the Data Center for base electrical service; Direct Digital Control (DDC) controls were installed in the Hall of Administration and eight energy efficient 200 horse power motors were installed at the Central Utility facility. RDMD has selected a contractor for design services of a cogeneration plant that will generate sufficient electrical power and energy for heating and cooling all County-owned and County-served buildings in the civic center area. Construction documents are now being prepared and initial construction will begin in 2006. A contract to purchase equipment for the Cogeneration plant is expected to be awarded in Spring 2006 due to the long lead times required for delivering these items. Also, financing options are being considered for both the Cogeneration plant and the installation of photovoltaic (solar



generation of electricity) systems on County-owned parking facilities. RDMD will continue to monitor proposed legislation that can assist in promoting the County Energy Plan to meet energy needs. Over the next year, the implementation of mid- and long-term options of the Strategic Energy Plan will be re-evaluated and certain implementation components of the plan may be updated.

- *Implementation of Using of Alternative Fuel Vehicle Technologies (Green Fleet Plan)*

RDMD fleet services is committed to providing safe, cost effective, environmentally sensitive fleet vehicle and related support services to County agencies and departments. In recognition of this, the Transportation Division developed a Green Fleet Plan that is designed with the overall goals to further reduce fossil fuel usage and automotive tailpipe emissions, promote fuel conservation, and comply with governmental regulations. On July 19, 2005, the Board of Supervisors adopted the Green Fleet Concept Plan and approved grants associated with the alternative fuel and clean fleet program implementation purposes. An important element of the plan includes identifying the best alternative fuel vehicle (AFV) options for the County. Compressed Natural Gas (CNG) has been identified as one of the most viable options. During the next year, the County expects to pursue additional grant funding to purchase additional CNG vehicles and to build the necessary infrastructure to support them. Transportation Division is developing a Green Fleet Implementation Plan which will highlight upcoming activities such as the future construction of a new CNG refueling station and ongoing purchase of alternative fueled vehicles.

- *Work with Agencies and Departments to Identify and Evaluate Areas of Potential Cost Savings in Construction, Facilities and Asset Management Activities and Implement Where Appropriate*

As a result of the recent RDMD (and prior PFRD) restructuring, Internal Services staff in the A&E, Facilities Operations and Asset Management divisions have been working more closely with staff in agencies and departments that perform similar activities. This has resulted in cost savings which have been identified and realized through such initiatives as sharing service contracts, staff consolidation, utilizing staff from Internal Services to assist departments when workload demands exceed their existing resources and replacement of contracted services with services provided by in-house staff. Internal Services will continue these initiatives as part of our on-going dialogue and feedback program that we maintain with our customers. These types of opportunities will be evaluated and presented to the CEO for consideration as they are developed.

During the 1997 County restructure, responsibility for facility maintenance, along with staffing and funding, was transferred to the Probation Department so that the department could provide its own facility maintenance operations. Over time, it became evident that it would be more cost effective and efficient to transition this responsibility to the Facilities Operations Division in RDMD. In 2005, 16 facility operations personnel and associated funding were transferred from the Probation Department to RDMD. This has increased the level of services to Probation by providing a larger resource pool, enhanced the range of services and expertise to respond to facility maintenance issues, and decreased the need for out-sourcing. Additional cost savings have been realized through streamlined purchasing practices that eliminated duplication of purchasing activities and provided for purchasing discounts based upon economies of scale. In 2006, it is anticipated that the Real Estate and Asset Management sections will be merged to achieve further efficiencies.

**Regulatory Issues related to Internal Services Planning and Operational Activities** - The last several years have witnessed a significant increase in the number of mandates and regulations that impact the operations of Internal Services. In particular, more restrictive regulations related to underground tanks, hazardous waste, air quality and water quality have necessitated the review of all policies, procedures and projects in Transportation, Facilities Operations, Publishing Services and Architect and Engineering Services to ensure strict adherence to applicable regulations. Compliance issues include the monitoring and control of all hazardous material, registration of certain equipment, maintenance of valid operating permits, disposal of regulated materials, and best management practices related to air and water quality. Multiple regulatory agencies provide compliance oversight to County operations including the US Environmental Protection Agency, California Environmental Protection Agency, California State Water Resources Control Board, South Coast Air Quality Management District (AQMD) and various municipal fire departments. Regulatory compliance is mandatory with fines and penalties levied against non-compliant agencies. To more effectively address operational regulations, during the next year, Internal Services will evaluate the need to establish an Environmental & Regulatory Compliance Team that will be charged with establishing a data base of permits and licenses necessary to keep facilities and activities under the purview of Internal Services in operation and in compliance with all applicable mandates. The unit will also monitor new rules and regulations that are applicable to Internal Services activities.

**Capital Projects** - Considerable challenges associated with major capital projects are also anticipated in the coming year.

The County, in partnership with the State, is committed to building a new South County Courthouse. Work on a limited first phase design package is already complete. RDMD is working with the State in the exploration and identification of funding and design options. RDMD successfully promoted legislation that will allow this project to utilize a “design-build” approach for its construction. This construction method allows the County to award a contract for both the design and construction to the same contractor (with appropriate sub-contractors) based on a set of general plans and specifications, thereby eliminating the needs for a separate Public Works bidding process for the construction phase after design is completed. While not suited for all types of construction projects, when employed under the proper circumstances, it allows for a more efficient project implementation.

Similarly, the proposal to install a cogeneration plant in the County’s Central Utility Facility, as introduced in the Board adopted Strategic Energy Plan, will involve further examination of financial and design options to see this project to fruition.

Additionally, as a result of negotiations with the City of Anaheim, the County has been actively planning for the relocation of various RDMD operations that are currently housed at the Katella Yard facility. Initial relocation efforts centered on identifying infrastructure needs, optimum locations and expenses must all be addressed in the coming year. One particular concern is the relocation of the Agricultural Commissioner’s operation. Costs associated with the Agriculture Commissioner are funded from the general fund. Although State revenue and fees are generated to fund operational costs, not all costs are offset by these funding sources and Net County Cost is incurred in the Agriculture Commissioner’s operation. Costs associated with moving this operation, and additional operational costs that are incurred as a result of the move, will require General Fund contributions since revenues and fees from the other operations at Katella Yard most likely cannot be used to fund Agricultural Commissioner activities. Unlike other RDMD funds, State law requires that the County provide an office and equipment for the Agricultural Commissioner from the general fund (Food & Agricultural Code Section 2242-2244).

As a result, relocation expenses cannot be directly charged to the Agricultural Commissioner budget. Further research must be done in this area to assess the total impact.

## **Resources**

As noted earlier, Internal Services is comprised of several budget units. Total staffing for Internal Services is 333 positions. The total budget exceeds \$74.8 million. Revenue amounts to \$41.5 million, mainly reflecting charges to other funds, with \$33.3 million in Net County Cost from Facilities Operations and Utilities. Net County Cost is a key concern in this core business due to the pressure to provide needed services that must be funded largely from very limited general purpose revenue. As new long-term cost savings programs are proposed, revenue sources must be identified to support these programs.

## **Strategies for Meeting Challenges and Accomplishing Goals**

- Continue to identify areas of opportunity and utilize automation, training and adoption of best management practices to implement more efficient ways of managing and delivering services.
- Investigate alternate construction and repair contracting methods such as “construction manager at-risk” or job order contracting and seek authorization or legislation for such methods as needed.
- Continue to seek opportunities for bond financing, State and Federal subsidies and grants, and energy provider incentives to implement energy cost savings programs.
- Continue to update fees to recover increased employee costs and identify new revenue generating opportunities such as advertising on parking structures.
- Continue to review the organizational structure of Internal Services’ operations for opportunities to increase and/or redirect resources toward service delivery as identified in the 2005 RDMD Workforce Plan.
- Initiate Phase II of the Preventive Maintenance program.
- Establish a Project Management Standards and Compliance Unit reporting to the IS Director whose goal is to establish uniform approaches to capital project administration, budgeting, reporting and training within RDMD.
- Continue to revise capital project bidding documents to incorporate improvement of water quality and energy saving goals as part of project design and construction bidding requirements.
- Continue to explore grant opportunities to fund alternative fuel projects and water and air quality initiatives for operations and capital projects managed by Internal Services.
- Implement replacement and succession planning strategies, while evaluating organizational structure, in preparation of ensuing impacts from the enhanced retirement plan and new administrative management classification structure that became effective in July 2005.

## Primary Outcome Measures

Performance Measures	FY 04-05 Results	FY 05-06 Plan	FY 05-06 Anticipated Results	FY 06-07 Plan
<b>What:</b> Average percentage of time fleet vehicles are available for use by agencies and departments.	95%	95%	96%	96%
<b>Why:</b> Indicates quantitative support to County agencies and operations by operating and maintaining the vehicle fleet.				
<b>What:</b> Percentage of fleet users rating the quality of the vehicle fleet and service provided as good or excellent as reported in a valid survey.	95%	95%	95%	95%
<b>Why:</b> Indicates customer satisfaction with support to County agencies and operations by operating and maintaining the vehicle fleet.				
<b>What:</b> Total annual cost of the light duty fleet divided by the total miles of light duty fleet use.	\$0.47	\$0.47	\$0.35	\$0.35
<b>Why:</b> Indicates efficiency of support to County agencies and operations by operating and maintaining the vehicle fleet.				
<b>What:</b> Number of alternate fuel vehicles in the fleet.	20	25	38	40
<b>Why:</b> Indicates the increasing number of vehicles in the County fleet that use alternate fuel.				
<b>What:</b> Percentage of Publishing Services jobs completed and delivered on time.	98%	97%	97%	97%
<b>Why:</b> Indicates efficiency of support to County agencies and operations by Publishing Services.				
<b>What:</b> Percentage of Publishing Services jobs completed to the satisfaction of requesting customers as reported in a valid survey.	100%	97%	99%	97%
<b>Why:</b> Indicates customer satisfaction with support to County agencies and operations by Publishing Services.				
<b>What:</b> The total annual cost of the building operations and maintenance for the civic center complex divided by the total number of building square feet in the Civic Center complex.	\$4.95/cost per square foot	\$4.25/cost per square foot	\$4.85/cost per square foot	\$4.75/cost per square foot
<b>Why:</b> Indicates efficiency of support to County agencies and operations by operating and Maintaining facilities.				
<b>What:</b> Percentage of building users rating the quality of the building operations and maintenance provided as good or excellent as reported in a valid survey.	93%	95%	90%	95%
<b>Why:</b> Indicates customer satisfaction with support to County agencies and operations by operating and maintaining facilities.				

<b>Performance Measures</b>	<b>FY 04-05 Results</b>	<b>FY 05-06 Plan</b>	<b>FY 05-06 Anticipated Results</b>	<b>FY 06-07 Plan</b>
<b>What:</b> Percentage of building capital projects completed on time.	87%	95%	90%	95%
<b>Why:</b> Indicates efficiency of support to County agencies and operations in managing County capital projects.				
<b>What:</b> Percentage of capital projects completed within budget.	91%	95%	95%	95%
<b>Why:</b> Indicates efficiency of support to County agencies and operations in managing County capital projects.				
<b>What:</b> Percentage of customers responding to a valid client survey that are satisfied or very satisfied with the quality of Facilities Operations' Capital Project management services.	89%	95%	90%	95%
<b>Why:</b> Indicates customer satisfaction with support to County agencies and operations in managing County capital projects.				

## **Watershed & Coastal Resources Operations Plan**

To achieve RDMD's goal of protecting water quality and the beneficial uses of streams and coastal resources throughout Orange County and complying with and enforcing water quality laws and regulations.

### **Clients**

The clients of this core business include all County residents, as well as County visitors seeking water-related recreational opportunities.

<b>CORE BUSINESS: WATER QUALITY</b>		
<b>Clients</b>	<b>Service Needs</b>	<b>Services Provided</b>
Residents, property owners, business owners, cities, special districts, environmental advocacy groups.	Comprehensive solutions that address a broad range of issues in concert: <ul style="list-style-type: none"><li>• water quality in streams, channels, harbors, bays, and beaches</li><li>• control of urban runoff</li><li>• reduction of sedimentation and erosion</li><li>• habitat and species protection</li><li>• coastal habitat and beach restoration</li><li>• public education and recreation</li></ul>	Provide Orange County with beaches that are safe for water contact recreation and surface waters that support appropriate beneficial uses.  Develop and implement regional water quality improvement strategies to protect water quality and the beneficial uses of streams throughout Orange County.  Implement water quality programs to comply with the Clean Water Act for stormwater and urban runoff.

### **Challenges**

**Beach Postings and Closures** - Bacteria sources are ubiquitous in the County, including, for example, natural areas, roads, storm sewers, and sewage collection and treatment facilities. Bacteria are not like other pollutants because they can multiply in the environment, even after treatment reduces their concentrations. The compliance standards that apply to beaches rely on specific indicator species of bacteria whose relationship to human health risk has been called into question by recent scientific studies, and further studies will be expensive. The standards are the product of legislation, which makes them difficult to update.

Compliance with the AB411 standards to avoid beach posting requires a collaborative effort of cities and special districts within entire watersheds, and the control not only of bacteria sources, but other contaminants that appear to be related to bacteria concentrations, such as nutrients and trash. Ultimately, the individual behavior of every resident in the watershed is needed in order to control the human and pet sources of bacteria. Even once this is accomplished, natural or uncontrollable loadings of bacteria may cause exceedances of standards during certain conditions.

The Watershed and Coastal Resources Division (WCRD) of RDMD will continue in the coming year to address this problem by coordinating the efforts of all relevant stakeholders, now focusing on the Watershed Management Area scale, per the recent approval of that concept by the Board of Supervisors. The Watershed Management Area concept will result in coordinated capital improvement strategies and nonstructural management practices at a scale that will be effective, implementable, and can be equitably cost-shared.

**Regulatory Compliance** - Stormwater and urban runoff from literally thousands of different sources generate numerous water quality issues. Rainfall runoff and dry weather nuisance flows travel through storm drains into the ocean, making contact with many contaminants along the way. The problem is complex due to the diversity of these contaminants, which include fertilizers, automobile fluids, animal feces, and eroded soil. It is also complex for jurisdictional reasons, since it involves any entity that owns land or uses water. Therefore, a wide range of Federal, State, city, private parties, and other local agencies need to be part of the solution.

The Clean Water Act National Pollution Discharge Elimination System (NPDES) municipal stormwater permits issued to the County in early 2002 hold the County and cities responsible for the quality of water flowing through storm drains and require each to adopt a plan to improve water quality. The County established a collaborative relationship with the Flood Control District and all Orange County cities. As the lead agency for the program in Orange County, we have formed and led a number of committees of co-permittees and stakeholders to accomplish a major revision to the County's Drainage Area Management Plan and to create Local Implementation Plans for the County and each city. The County and other co-permittees continue to share the cost of this program.

In addition to municipal Stormwater permit requirements, the Environmental Protection Agency and the State of California have adopted Total Maximum Daily Loads (TMDLs) of various pollutants in the Newport Bay/San Diego Creek Watershed. TMDLs will soon be established for numerous other impaired water bodies in Orange County. The San Diego Regional Board is in the process of developing a TMDL for bacteria in its entire region, including south Orange County. A TMDL imposes numeric discharge limits on all sources of a particular pollutant, including urban runoff, and has the potential to be extremely expensive to implement. RDMD is leading regional cooperative efforts of regulated entities, stakeholders, and regulatory agency staff to improve the level of scientific knowledge upon which decisions about impairment are based and TMDLs are developed, and to ensure that economic policies required by law are appropriately applied.

An additional challenge that grows out of the requirement for environmental regulatory compliance is the need to achieve a balance between multiple objectives in our streams and channels. Not only must we achieve an appropriate balance between valid but competing uses, such as habitat, water quality, and flood protection, we also must now balance between competing regulatory requirements related to each of those goals. In many cases, a single reach of a stream will serve competing environmental purposes, and we must continuously manage the environment to maintain legal compliance and a balance of values.

**Funding** - These regulatory requirements are imposed on local jurisdictions without accompanying funding. Recent years have seen a dramatic increase in efforts to curb the impacts of urban runoff through collaborative planning processes and regulatory and legislative mandates. No reliable funding sources have been created to address these water quality requirements. Currently, the necessity to create and implement a watershed and water quality function has required RDMD to draw needed funds from other programs, notably Flood Control and Harbors, Beaches and Parks (HBP).

Local jurisdictions will need to work together to develop compliance programs and to provide the necessary funding. NPDES, the first of these programs implemented in Orange County, serves as a model for cooperation and cost sharing. A significant challenge related to funding is that any initiative to develop new revenue will likely be subject to the requirement under Proposition 218 to be approved by a two-thirds vote in an election. Per Board direction, RDMD is continuing

to work with internal and external stakeholders to develop a comprehensive strategic plan for water quality, including urban runoff and NPDES issues, watershed management, governance options, and a financing plan.

To fully assess the impact of these unfunded water quality mandates on RDMD's Watershed budget and its other contributing funds, the Department formed a Watershed Issues Working Group in order to study the budgetary impacts and to recommend solutions. Based on this group's recommendations, discussions have been held with the CEO with a re-examination of current funding sources for the program, including the Net County Cost (NCC) component, as well as the examination of funding strategies to employ in the interim period before new alternative funding strategies can be developed or identified. A CEO plan to increase WCRD's NCC limit by \$4 million in FY 2005-06 was abandoned in June. The NCC limit was instead increased by \$1 million, with the difference to be made up with an operating transfer from the Flood fund. This continues a funding strategy that cannot be sustained without serious consequences for Flood program capital projects and its ability to maintain adequate reserves in preparation for a Flood emergency.

Externally, the County has continued to engage in a discussion with regional stakeholders about alternatives for establishing a reliable funding mechanism for water quality needs. During the past fiscal year, after three Board of Supervisor workshops on the topic, the Board directed WCRD to proceed with implementing a new governance approach that will help develop better cost estimates for water quality program needs. The Board also directed that long-term strategies for water quality funding be held until after the election on extension of Measure M. This decision makes re-evaluation of the current NCC limit even more critical for the coming two to three years.

Note, the 2005 Strategic Financial Plan (SFP) approved by the Board on December 13, 2005, included Water Quality and Watershed Protection in the top 10 Priorities. At this time, NCC funding was deferred pending results of the FBA/Reserves study for Flood Fund 400. Results of the study are anticipated to be available prior to funding decisions for the FY 2006-07 budget.

## **Resources**

This program is staffed by 43 positions and has a FY 2005-06 budget of over \$15.1 million including approximately \$2 million in Net County Cost. As noted above, an operating transfer from the Flood fund of nearly \$3 million is required to subsidize the program in light of an inadequate general fund dollars allocation at the present time. Revenue comes from cost sharing with cities, Flood, Road and HBP Funds, and various grant programs, such as Proposition 13 (Water Quality and Flood Control), the Clean Beaches Initiative, Proposition 40, Proposition 50, and Section 319(h) of the Clean Water Act.

In several watersheds where the County is leading groups of stakeholders to develop and implement regional watershed programs that address flood control, ecosystem restoration and water quality, the U. S. Army Corps of Engineers has been a valuable partner. Currently, the Army Corps is completing the watershed feasibility study for Newport/San Diego Creek. RDMD is in the initial phase of watershed studies for the Westminster and Coyote/Carbon watersheds. Phase II for San Juan Creek and Aliso Creek watersheds recently began with new watershed management implementation studies (Phase I feasibility studies are complete for both).



## Strategies to Meet Challenges and Accomplish Goals

To date, the County has provided regional leadership in addressing watershed and water quality issues, and that leadership will be sustained through the Watershed & Coastal Resources Division. In addition to its formal role in administering the area-wide stormwater program, the Watershed & Coastal Resources Division also coordinates efforts of other County organizations, both within and separate from RDMD, to implement the Drainage Area Management Plan and to protect water quality.

During FY 2006-07, RDMD also will:

- Continue to facilitate the preparation and implementation of coastal resource and watershed plans and projects for watersheds in Orange County.
- Revise and revitalize stakeholder processes in Orange County watersheds through the development of agreements to implement the three Watershed Management Area concept for the County, cities, special districts, and significant private stakeholders.
- In sequence with supporting Measure M extension, continue to search for alternatives to develop local revenue to fund watershed and water quality programs.
- Continue to solicit federal, state, and regional grant funding for watershed planning and infrastructure improvements.
- Continue to partner with the Army Corps of Engineers, and maximize opportunities for federal assistance through other agencies, such as the Bureau of Reclamation and the Environmental Protection Agency.
- Complete a comprehensive evaluation of our water quality program, particularly the Drainage Area Management Plan and stormwater compliance activities.
- Negotiate new area-wide municipal stormwater permits with both the Santa Ana and San Diego Regional Water Quality Control Boards.
- Implement an expanded and improved public education program for water quality including enhanced elements for targeted industries and municipal activities, schools and youth elements, and mass media.
- Lead a Stormwater standards task force for the three counties in the Santa Ana River watershed to collaborate with Regional Board staff in reviewing and updating the current basin plan standards for body contact recreation.
- Continue to chair a regional task force on trash and plastics as water pollutants. Keep Orange County beaches off of the State's list of water bodies that are "water quality impaired" by trash.
- Continue to operate, monitor, maintain and report on the urban runoff diversions at the Santa Ana River, Huntington Beach Pump Station, Greenville Banning Channel and Talbert Channel.
- Continue construction of the Upper Newport Bay ecosystem restoration project by securing continuation funds from Congress for the Army Corps of Engineers.
- Begin construction of wetlands adjacent to the Bolsa Chica channel.
- Continue to lead and develop a regional task force of cities, water agencies and stakeholders to make Orange County a national model of outdoor water use efficiency.
- Secure Proposition 50 grant funding and begin implementation of the South Orange County Integrated Regional Water Management Plan (IRWMP).

- Implement water savings measures in the Poche Beach watershed in collaboration with the City of San Clemente and Municipal Water District of Orange County, and then reevaluate treatment system alternatives for Poche Beach.
- Initiation of construction of Aliso Creek Mainstem Improvements.
- Completion of a first substantial phase of installing smart irrigation controllers, and a measurable reduction in outdoor water use and dry weather runoff.
- The initiation of a major bacteria source tracking and epidemiology study at Doheny Beach in partnership with the City of Dana Point and the Southern California Coastal Water Research Project.

## Primary Outcome Measures

Performance Measures	FY 04-05 Results	FY 05-06 Plan	FY 05-06 Anticipated Results	FY 06-07 Plan
<b>What:</b> Percentage of beach mile days without postings due to water quality.	Calendar year 2004: 99.2%	99.0%	Analysis Pending	99.0%
<b>Why:</b> Indicates level achieved in protecting water quality and the beneficial uses of streams throughout Orange County, and enhancing coastal resources and surface water throughout Orange County.				
<b>What:</b> Number of enforcement actions taken by Regional Boards against County or co-permittees for stormwater violations.	0	0	3	0
<b>Why:</b> Indicates level of successful compliance with state and federal water quality laws and regulations.				
<b>What:</b> Cities rating of the County NPDES efforts as reported in a valid survey (numeric grade).	4.1 (on a 5-point scale; 5 being the highest)	4.2	Bi-annual Survey	4.2
<b>Why:</b> Indicates level of satisfaction of clients with competence and leadership of County on municipal Stormwater issues.				

## **Planning and Development Services Operational Plan**

Safeguard the high quality of life in unincorporated Orange County through stewardship of the environment, application and enforcement of building, water and grading regulations, and planning of strategically balanced communities

### **Clients**

Planning and Development Services' (PDS) clientele is comprised of three principal groups: resident and property owners within the unincorporated areas, private project applicants, and public agencies, including all County departments as well as other outside public agencies.

<b>CORE BUSINESS: PLANNING AND DEVELOPMENT SERVICES</b>		
<b>Clients</b>	<b>Service Needs</b>	<b>Services Provided</b>
Residents, property owners within the unincorporated areas.	Provide a safe living, working and recreational environment by requiring and enforcing the appropriate building, grading and construction standards.	Preparing plans and programs required by local ordinance and State law, including compliance with environmental regulations and code enforcement.
Private project applicants, including architects, engineers, contractors, individual homeowners and developers.	Provide assistance with development related issues.	Issue various applications necessary for land development, including use permits, building related permits, environmental compliance, grading and building inspection services.
Public agencies, including all County as well as other outside public agencies.	Provide services for the implementation of CEQA, NEPA and NCCP for public projects.	Manage environmental clearances for all public projects and coordinate County comments on projects proposed by outside public agencies.

### **Challenges**

**Projected Private Development Workload** - PDS provides planning and development services to more than one-third of Orange County's geographic area. Build-out of major planned communities continues to occur in the foothill and coastal areas of south Orange County.

Development activities in the new communities of Ladera, and Newport Coast/Newport Ridge slightly declined through calendar year 2005 and are expected to do so again in 2006. Both PDS' Land Use Planning and Building & Safety Divisions provide services as projects in these communities proceed through each phase of the development process.

Rancho Mission Viejo's significant land holdings in southern Orange County were approved for development by the Board of Supervisors in November 2004. It is expected that these entitlements will take more than 20 years to complete. Also, other moderate size development entitlements that have been approved in previous years may begin to move through the permit process in 2005 now that issues such as annexation questions and lawsuits have been resolved.

**Code Enforcement** - PDS' clients also include individuals or groups with code enforcement related concerns. In order to efficiently respond to the high demand for code enforcement, in 2004, PDS created a Code Enforcement Section and hired three full time Code Enforcement Officers in addition to utilizing contracted services to eliminate case backlog and to provide supplemental ongoing support for peak enforcement activity. Because of the high level of enforcement activity, elimination of the backlog is anticipated to be 100% completed by the close of FY 2005-06.

**County Islands** - An important segment of PDS workload calls for providing services to County islands, unincorporated areas of the County that are completely or partially surrounded by cities. Projects in these geographic areas typically require more community outreach and coordination with other public agencies. Use Permits and other discretionary permits for development in these areas make up a portion of the PDS caseload. Building-related permits (e.g., structural, plumbing, and electrical) contribute to the caseload of the Building Permits and Building Inspection Divisions. Zoning, Nuisance Abatement and other County code violation investigations for properties located within the County islands generate a significant portion of the code enforcement workload.

**Housing Element** - Housing element law requires jurisdictions to review their housing elements as frequently as appropriate, but not less often than every five years. The Fourth Revision date for the County of Orange Housing Element is extended to June 30, 2008. PDS is requesting an augmentation for \$265,000 in FY 2007-08 to complete the amendment, including the processing of an Overlay Implementation Zone.

**Meeting Five-Year Strategic Financial Plan** - In consultation with the larger developers in the area, PDS is revising the five-year strategic plan workload estimates to reflect a relatively flat workload for FY 2005-06 due primarily to development in Ladera and Newport Coast/Newport Ridge. The 2004 Strategic Financial Plan (SFP) for PDS projected an additional reduction of 11 positions in fiscal year 2005-06, based on assumed workload reductions. PDS reduced 2 positions as part of the base budget FY 2005-06. These positions were used to support the new Dana Point Harbor Department Fund 108. The remaining 8 positions represented vacancies in FY 2005-06 as a result of the new retirement program recently adopted by the Board of Supervisors. These positions were deleted through the FY 2005-06 1<sup>st</sup> Quarter Budget Adjustment process, which was approved by the Board of Supervisors on November 22, 2005.

Time & Materials rates for Building and Safety activities were updated and implemented in August 2005. Although the Building & Safety Fund 113 plan check and permit inspection service costs are fully recoverable, the planning services performed by PDS staff in Fund 100 Agency 080 reflect a higher General Fund obligation than budget. Revenues and Expenses are being closely monitored and restructuring of staffing is currently in progress.

As previously stated, current actual workload has been less than projected in the Strategic Financial Plan. The finite number of remaining tract units and processing activities has been consumed at an accelerated pace, the current number of tract and related building permits has experienced a steeper decline than projected, and the number of and revenues from building permits is rapidly moving toward the reduced 2007-08 levels. During the winter quarter this current fiscal year, RDMD and CEO/Finance identified the steepening decline in Fund 113 permits and revenues compared to previous years and forecasts. If this decline were to continue in FY 2005-06 without change, it would result in a deficit for the Fund at the end of the fiscal year. As a result, preparations are now underway to mitigate for this situation. Mitigations include: transfer of employees, reductions in Services & Supplies expense categories,

adjustments to billings, adjustments to the Time & Materials Ordinance, and potential use of Fund 113 Reserves and Fund Balance Available. These mitigations are being coordinated and approved by the County Executive Office.

## **Resources**

Throughout 2005, the PDS workforce was reduced by transfers, attrition and retirements. PDS is currently staffed by 108 full-time equivalent positions assigned to two divisions: Building and Safety, and Land Use Planning. Total expenditures for the PDS funds are budgeted at approximately \$22 million.

## **Strategies for Meeting Challenges and Accomplishing Goals**

- Continue to collaborate with the building industry to identify opportunities to utilize automation, training and other measures to more efficiently deliver service.
- Monitor fees charged pursuant to new time and materials ordinance to ensure consistency.
- Increase contracted services to respond to short-term peak demand for plan check, inspections and code enforcement.

## **Primary Outcome Measures**

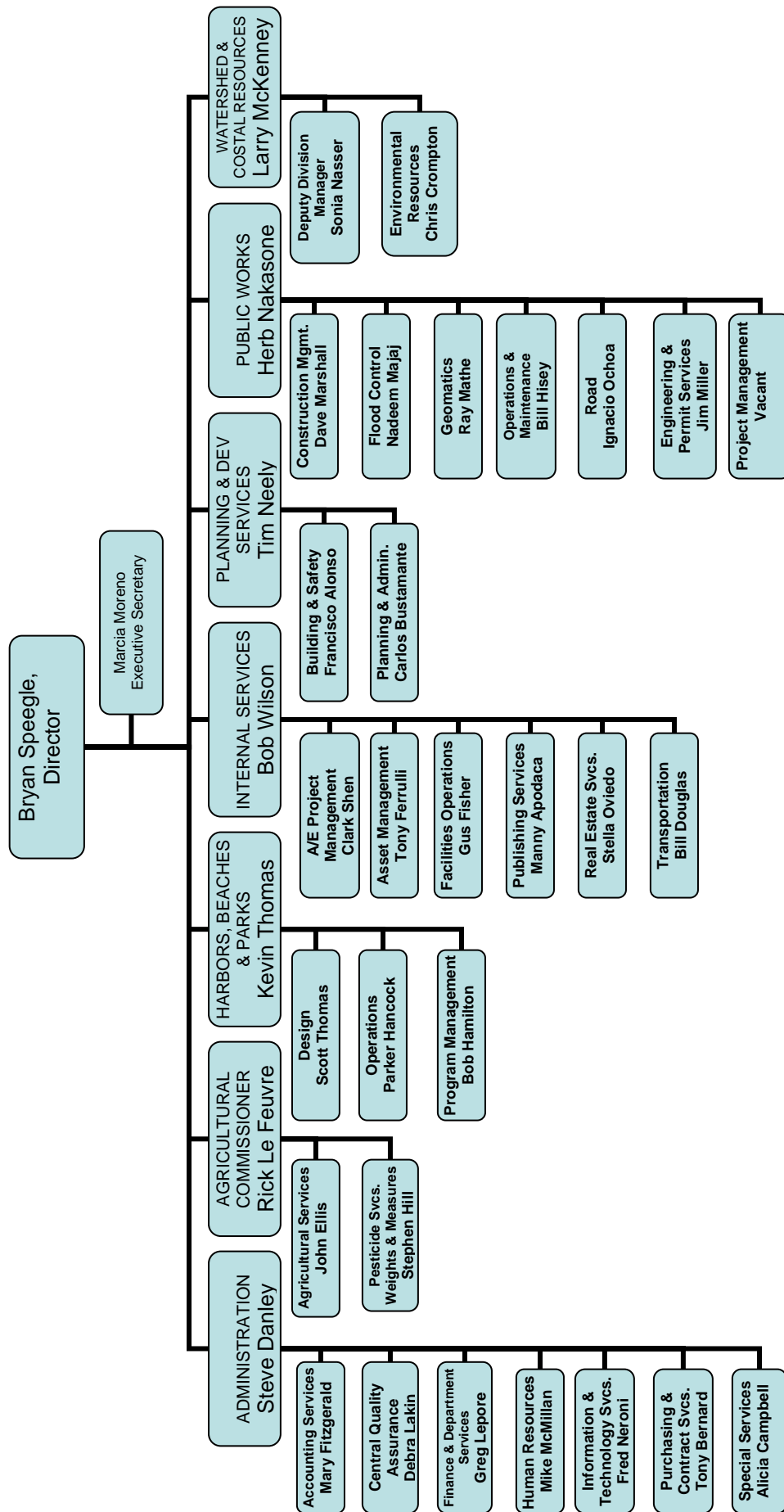
<b>Performance Measures</b>	<b>FY 04-05 Results</b>	<b>FY 05-06 Plan</b>	<b>FY 05-06 Anticipated Results</b>	<b>FY 06-07 Plan</b>
<b>What:</b> Number of building and home inspections requested.	59,864	68,374	65,000	66,500 *
<b>Why:</b> To establish workload needs and service efficiency.				
<b>What:</b> Percentage of inspections/ reviews performed within (1) one business day.	96%	95%	99%	99%
<b>Why:</b> To provide fair and efficient service to clientele.				
<b>What:</b> Number of cases closed by Code Enforcement.	843	No new backlog/ respond to complaints	No Backlog	No Backlog
<b>Why:</b> To protect public from threats to safety.				
<b>What:</b> Percentage of plan checks performed within 10 business days.	37%	55%	80%	90%
<b>Why:</b> To ensure prompt and effective client services.				
<b>What:</b> Number of new homes completed, categorized by building type.	1041 (871 Single, 170 Multi)	1000 (950 Single, 50 Multi)	900 (855 Single, 45 Multi)	810 (770 Single, 40 Multi)
<b>Why:</b> To ensure fair housing opportunities for all residents.				
<b>What:</b> Number of environmental documents completed.	1183	1060	1100	1100
<b>Why:</b> To ensure environmental protections through mitigation of impact stemming from new project implementation.				

\* Assumes Tonner Hills and Bolsa Chica projects are processed through the County to building and grading inspection (approximately 3,600 total inspections for these two projects). If these projects are not submitted or not process through the County, the FY 06-07 Plan would include approximately 62,900 inspection requests.

## **IV. APPENDICES**

## Appendix A - Organization Chart

# Resources & Development Management Department



## **Appendix B - Labor Management Committees**

### **Labor Management Committee – OCEA**

The RDMD/OCEA Labor Management Committee, formed as a cooperative partnership between the County and Orange County's Employees Association to provide an opportunity for labor and management representatives to promote and maintain a harmonious relationship, has been active in addressing employee issues since 1999.

The mission of the RDMD Labor Management Committee is: "To engage in a cooperative approach to address and resolve workplace issues."

Current members: Bryan Speegle (sponsor), Charles Antos (Team Leader) - PW/Road, Ron Broadbelt - PW/O&M, Denise Findly - OCEA, Dan Perry – I&TS, Francisco Alonzo - PDS, Greg Lepore - FDS, Forrest Rowe, Scott Priegel - B&S, Parker Hancock - HBP, Ron Slimm - HBP, and Donna Mead.

The LMC continues to be a productive component of RDMD. Various workplace issues were brought to the LMC. These were successfully resolved by the LMC and the LMC sponsor, Director RDMD, Bryan Speegle. Also, several of the LMC's cost saving suggestions have been implemented resulting in better efficiency in RDMD.

### **Labor Management Committee- AFL-CIO**

The RDMD/AFL-CIO Labor Management Committee was developed as a unique collaboration between labor and management to promote open communication on workplace issues.

The mission of the RDMD/AFL-CIO Labor Management Committee is to establish effective and cooperative working relationships between labor and management with a commitment to ongoing communication.

Current members: Ralph Lanternier (Team Leader) - FO/Fruit Street, Linda Renta - SEIU, Manny Apodaca - Publishing Services, Mike Escarcida - HBP/Upper Newport Bay, Gus Fischer - FO/Fruit Street, Linda Mayer - HBP, Leticia Lara - Human Resources, John Nickels - Transportation, Bob Wilberg, and HBP/Coastal Facilities, Ops/Katella Yard.

Over the past year, this LMC has remained available to help resolve work place issues and assist in the collaborative efforts to reduce County costs. We invite new ideas and suggestions that are appropriate for discussion in this platform and look forward to adding new members and increasing participation during 2005.

Additionally, an LMC comprised of Transportation and Internal Services management and SEIU representation was established last year and will continue to meet during 2005. This year, Transportation continued progress on addressing workplace items unique to Transportation such as the physical work environment and facility improvement, backfilling of positions due to retirement, training needs, and other fleet services related issues.



## Appendix C - Major Accomplishments

RDMD was extremely productive in 2005, and plans to be again in 2006, as we ensure that Orange County residents and businesses are provided the public services and infrastructure necessary to assist in meeting their economic, environmental, and recreational goals. A small sampling of our major and outstanding accomplishments includes:

### Pierce's Disease Control Program

The County Agricultural Commissioner (RDMD) serves as the coordinator of the Pierce's Disease Control Program that provides inspection of nursery stock moving from infested counties to avoid the spread of glassy-winged sharpshooter. The majority (98%) of shipments from regulated southern California nurseries have been free of this insect.

### Atwood Channel from Mountain View Avenue to Kellogg Drive

This channel reach originally constructed in 1967 sustained major damage during severe storms in January and February of 2005. The damaged channel posed a serious threat to adjacent residences and to downstream OCFCD facilities due to high velocity flows and large broken pieces of concrete which could potentially be washed downstream. Due to a very short time frame in which to acquire right of way, regulatory permits and to construct the flood control project prior to the next significant storm event, the Board of Supervisors declared a local emergency on September 13, 2005 to facilitate public bid and award procedures. RDMD staff acquired all necessary rights of way, environmental permits and designed, bid and awarded a contract to construct a 330 foot long (10'x7.5') reinforced concrete box culvert to repair/replace the damaged channel, on a significantly accelerated project schedule.

### Overhill Drive Roadway Damage and Slope Failure

The severe storms in January and February of 2005 caused extensive road damage on Overhill Drive in the unincorporated area of Cowan Heights. As a result, the roadway was closed to public use. With the upcoming rainy season approaching, staff was asked to prepare construction documents for repair of the roadway and opening the street to public use on a "fast track" basis. Road Design staff completed the construction documents and obtained Board approval on September 27. They did an exceptional job in meeting the 6-week schedule as this project was declared an emergency by the Board; the contract was awarded on October 18, 2005.

### Rancho Mission Viejo 'Ranch' Development Plan and Development Agreement

Traffic Engineering developed a new road fee program – South County Roadway Improvement Program (SCRIP) and negotiated roadway benefits in excess of \$35 million for various roadway improvements in south Orange County as part of the new Rancho Mission Viejo Ranch Development Plan and Development Agreement. In addition, the County secured a significant amount of road right of way for the La Pata Avenue and other road projects, at no cost to the County of Orange.

#### Road Program Grant Administration

RDMD prepared and submitted 21 applications under the Combined Transportation Funding Program (CTFP) requesting approximately \$35.4 million from transportation-related grant programs such as Measure M (local sales tax funds) and Regional Surface Transportation Program (federal funds), for current and future (FY's 2005 through 2010) road and bridge projects. These are highly competitive grant programs, but RDMD was successful in getting 17 applications funded for a total of \$18.1 million of Federal and Measure M grants, including the Arterial Highway Rehabilitation Program (AHRP), which is a component of the CTFP.

#### Laguna Canyon Road Realignment between SR-73 and I-405

Construction began during January 2003 on this cooperative project between CALTRANS and the County of Orange. In August 2004, traffic was diverted off the old historic roadway, in the vicinity of the Laguna Lakes, and placed on the newly realigned segment westerly of the lakes. This portion of the old roadway has been removed, in preparation for the project mitigation site. As of November 2005, construction is approximately 74% complete, with completion of the remaining roadway and full opening to traffic scheduled for October 2006.

#### Pollution Prevention

- The OC Stormwater Program's public outreach and education program achieved 85 million "impressions", or messages delivered to key audiences on water quality. This exceeds last year's 45 million impressions and the 10 million-impression requirement in our stormwater permit.
- The OC Stormwater Program's public education program launched a new program for school children in conjunction with the Discovery Science Center and Municipal Water District of Orange County.
- A comprehensive, multi-agency Integrated Water Resources Management Plan was prepared for the San Juan Hydrologic Unit and a grant application submitted for \$50 million from Proposition 50 to implement the plan.
- The RDMD-led Trash and Debris Task Force's first report was completed documenting countywide efforts on prevention, source control, and treatment.

#### Source Control

- A multi-agency cooperative agreement was executed to form and fund the Nitrogen-Selenium Management Task Force.
- The Santa Ana Regional Water Quality Control Board rescinded its §13267 Directive for the Lower Santa Ana River watershed upon completion of a bacterial source control investigation by the co-permittees.
- A countywide protocol was developed to address wastewater discharges from mobile car detailer activities.

#### Treatment Control & Remediation

- Construction was completed to expand the sediment trapping capacity of Basin II in San Diego Creek.
- Grant funding was obtained for the Aliso Mainstem project.

#### Monitoring & Compliance

- Initiated new Harbor Monitoring program in Water Control Region 9.
- All requirements for the countywide water quality monitoring program were met throughout the past year despite near-record rainfall last winter.

#### *Precautionary Evacuation of Area Adjacent to Prado Dam*

In January 2005, heavy rains caused the rapid rise of water behind Prado Dam. The Corps ordered the release of large flows into the improved downstream channel and requested Orange County to retain as much water as possible behind Seven Oaks Dam. Despite these preventative measures, the water eventually overtopped a temporary dam constructed to protect an area of Prado Dam under construction. A few days later, seepage of water was noticed by the Corps on the downstream face of Prado Dam. Although the Corps determined the dam to be structurally sound, the County opened the Emergency Operations Center (EOC) as a precautionary measure. From the EOC, the evacuation of recreational vehicles from Featherly Park was coordinated and accurate information was disseminated to the media and public. Eventually, the Prado Dam reservoir was drained to acceptable levels without incident.

#### *San Juan Creek Emergency Response and Repair*

On January 9<sup>th</sup> and 11<sup>th</sup>, 2005, San Juan Creek experienced three separate concrete lining failures (1250 feet total) due to high flood flows within the channel, with the January 11<sup>th</sup> storm almost completely collapsing the levee. County forces were already deployed elsewhere leaving little extra manpower or equipment to deal with the entire San Juan Creek problem. County staff contacted the State Office of Emergency Services (OES) and the U.S. Army Corps of Engineers (USCOE). Representatives from OES and USCOE were on site immediately to assess the situation. County staff worked closely with OES and USCOE staff to assess and repair the levee as quickly as possible. The USCOE under PL84-99 took over major levee restoration and repair to the lower failure area (800 feet) and, working around the clock, completed the work in less than one month. Public Works' Operations and Maintenance staff in similar fashion completed repairs to the upper two channel failures (400 feet and 50 feet).

#### *Santa Ana Delhi Channel from Upstream & Upper Newport Bay to Downstream at Mesa Drive*

During the 2004/2005 winter storm season, a number of the County's Flood Control facilities sustained damage due to unusually heavy rainfall. On January 10, 2005, a local state of emergency was declared and on January 11, 2005 the declaration was ratified by the Board of Supervisors. The Santa Ana Delhi Channel suffered severe erosion to its earthen trapezoidal side slopes during the heavy storm flows. One area within the project limits sustained undercutting which extended beyond Flood Control right-of way threatening private property. An emergency project was approved by the Board March 15, 2005 to repair damage to the channel slope and restore the area to its original condition before additional damage occurs to public or private property. Rock slope protection was placed on the channel slope to enhance erosion resistance and better preserve the structural integrity of the channel during future storm events. Work began on April 1, 2005 and was finished on April 21, 2005.

#### *Prado Dam Project and Lower Santa Ana River*

The Prado Dam project represents the last major flood control improvement planned for the Santa Ana River. The project will raise the dam embankment and spillway and construct new outlet works (larger gates for releasing storm water). When complete, Prado Dam, in conjunction with the recently constructed Seven Oaks Dam and with improvements to the lower Santa Ana River, will provide flood protection and long-term relief from flood insurance requirements to the residents of Orange County.

The Army Corps of Engineers, in cooperation with the OCFCD, awarded a construction contract for the Prado Dam Embankment and Outlet Works in February 2003. Construction work continued in FY 2005-06, and is expected to last through October 2006. The Corps also started construction on two dikes in the City of Corona. During FY 2005-06, the OCFCD continued to acquire property for the Prado Dam Project and the Green River Golf Course for the Lower

Santa Ana River below Prado Dam. As of June 30, 2005, OCFCD has purchased 280 acres behind Prado Dam.

In FY 2005-06, the Corps removed about 240,000 cubic yards of sand from the mouth of the SAR restoring flood carrying capacity. In addition, the Corps continued landscaping for the lower river.

The Santa Ana River Interceptor (SARI) line, a major sewer line owned by the Orange County Sanitation District and the Santa Ana Watershed Project Authority, which resides under the bed of the Santa Ana River, will need to be relocated. The SARI line needs to be protected from the anticipated erosion effects of the higher flows that could be released when the Corps revises operation of the Prado Dam; the revised operation is not expected to occur until after completion of the Prado Dam feature. The Corps has prepared a draft Environmental Impact Report/Environmental Impact Statement for the SARI line and a preferred alternative for the protection of the SARI has been selected. Construction of the SARI Line protection and completion of Prado Dam are subject to receipt of Federal and State funding.

#### *San Diego Creek - Vegetation and Sediment Removal*

San Diego Creek between Jamboree Road and the San Diego Freeway (I-405) was originally constructed to convey a 100-year design discharge. Dense vegetative growth and sediment accumulation have significantly reduced the creek's capacity below the 100-year level of protection and poses a flood threat to the Irvine Ranch Water District's (IRWD's) Michelson Water Reclamation Plant along with other structures including a disabled residential care home and a church complex. In December of 2003, the Orange County Board of Supervisors authorized emergency work to clear the vegetation and remove the accumulated sediment. A portion of the intended vegetation and sediment removal was accomplished but work was halted due to further regulatory constraints. Subsequent efforts to secure approval for additional maintenance following the end of the emergency have been challenging. Litigation was filed against the County and OCFCD further complicating the completion of needed maintenance. Mitigation for the emergency work has been proposed to the resource agencies. Plans, reports, and applications have been submitted. Work will be done in 2006 if permit authorization is received.

#### *Habitat Studio*

This new software application, which has been under development for several years, has now begun to show its value. It greatly facilitates the preparation of annual reports to resource agencies on the success of mitigation sites. A key feature includes the tremendous reduction of time spent by consultants mapping plant species distribution and growth. The new tool enables field biologists to directly enter coordinate data to document the vegetative growth. The program includes features that allow the user to quickly obtain tabular or plotted reports using this data. This is a direct cost saving in the preparation of biological survey reports.

#### *State (Newport) Tidelands Designation for Upper Newport Bay Nature Preserve*

With Board authorization, RDMD obtained State Lands Commission and State Legislature approval to designate the Upper Newport Bay Nature Preserve as "State Tidelands", effective January 1, 2005. Achieving this designation enables an HBP Fund annual savings of \$950,000 by shifting the current annual operating cost of the Nature Preserve and its Interpretive Center from the HBP Fund to the Newport Tidelands Fund. This shift was fully implemented with the adoption of the FY 05/06 budgets, relieving the HBP Fund of these annual costs and their being absorbed by funding from Newport Tidelands leasehold revenues which under the law can only be expended for costs that occur on Tidelands.

#### Reassignment of HBP Non-Core Property Assets to Other Agencies

The Board of Supervisors approved RDMD's recommendations to reassign HBP non-core business properties and their costs to more suitable entities resulting in cost savings to the HBP Fund of over \$600,000: Ladera Sports Park to the Ladera Ranch Management Corporation (\$350K) and Buck Gully and five roadside mini-parks to the City of Newport Beach (\$50K); also, final payment was made in the three year phase out of HBP's cost sharing with the City of Santa Ana for Centennial Park (\$230K).

#### Strategic Energy Plan

In April 2001, the Board of Supervisors adopted a Strategic Energy Plan designed to address energy issues related to reliability, cost containment/stability, self-sufficiency and conservation. Over the last year, RDMD has continued to make significant progress on various energy initiatives identified in this plan. One of the County's midterm self-sufficiency projects includes converting the existing Central Utility Facility (CUF) into a cogeneration plant that will provide electrical power and energy for heating and cooling County-owned and serviced buildings in the Civic Center area. The feasibility study for conversion has been completed and design of the facility is underway. Additionally, in the last year, various energy efficient projects were completed, including retrofitting major facilities with energy saving lighting and ballasts, connecting the micro turbines at the County Operations Center to the Data Center for base electrical service, and installing Direct Digital Control (DDC) controls in the Hall of Administration.

#### Preventive Maintenance Program

In order to prevent the continued deterioration of County facilities and the resulting hardships associated with building/system shutdowns, RDMD has developed a preventive maintenance (PM) program. The program is designed to improve stewardship of publicly owned buildings and avoid unnecessary costs through a decrease in the number of emergencies associated with neglected systems. In October 2003, a four person team began working a swing shift as the initial phase in the program and the results been favorable. This team is utilizing data provided by the Computerized Maintenance Management System (CMMS) which provides profiles of the systems and their components that comprise the building infrastructure, and the maintenance histories for those components. The system also provides industry standards for preventive maintenance of building infrastructure, which is being used to focus and direct the activities of the PM team. Expansion of the program to cover other facilities and systems and include PM activities in other services such as routine maintenance is being considered, and additional resources for the program will be requested in the FY 2006-07 budget.

#### Design-Build Legislation

In 2005, RDMD/Internal Services requested that the County's State legislative platform include a request to obtain sponsors for a bill to allow the County of Orange to utilize the "design-build" construction methodology for its capital projects. In September 2005, the governor signed into law a bill authorizing Orange County to use this method on certain types of construction projects of a value of \$2.5 million and over, thus providing County Agencies and Departments additional means to accomplish facility construction.

#### Completion of State Board of Corrections Grant Funded Construction Contracts at Juvenile Hall

RDMD staff successfully completed the 60-Bed expansion project at Juvenile Hall and received \$4.7M State Board of Corrections (BOC) grant fund. The Youth Leader Ship Academy project at Juvenile Hall will be completed by the end of FY 2005-06 and the County will be reimbursed \$8.4M from the BOC grant.

#### Completion of Law Library Expansion Project

RDMD completed the (20,000 SF) expansion project for the Law Library in December 2005. The second phase of the project will remodel the existing 35 years facility with state of art technologies for law library functions and will be complete by the end of FY 2005-06.

#### Transportation Advisory Committee

In 2003, a standing committee consisting of high level representatives for Transportations' major customer departments was established. The committee offers a forum for customers to discuss issues, and provide advice and input on policy and operational changes designed to enhance efficiency and improve service accountability. The Committee is chaired by RDMD management and senior Transportation Fleet management attends meetings to ensure that committee input and feedback are addressed. In 2004, the committee met to address the new rate structure for the FY 2004-05 budget. In 2005 Transportation Fleet Management presented the committee with revised FY 2005-06 rates. The major adjustment in the rate structure is the separate billing of CWCAP and indirect overhead costs outside of the hourly rates and as pass-through costs, allocated to the users based on their percentage of total charges. In the past, CWCAP and indirect overhead costs were recovered through the hourly rates and other rate categories. This approach eliminates rate fluctuations due to uncontrollable cost factors, and enables users to better project future impact of transportation costs. The revised rates were adopted by the Board of Supervisors during the FY 2005-06 budget. Also, in September 2005, Transportation Fleet Management met with user agencies to discuss Transportation's Green Fleet Plan and establish a working group comprised of representatives from user agencies to help develop guidelines and best management practices concerning the future purchase of County vehicles and its impact on air quality.

#### PDS Time & Materials (T&M) Ordinance update

RDMD submitted for approval an ordinance that establishes a revised and updated time and materials deposit and fee structure for Building & Safety Fund 113 plan check and permit inspection services, and planning services performed by RDMD/Planning and Development Services staff in Fund 100 Agency 080. On July 26, 2005, the Board approved by Ordinance #05-015 the new T&M rates to be implemented on August 29, 2005.

#### PDS Follow-up Audit

On April 14, 2005, County of Orange Internal Audit Department notified RDMD/Planning of a Follow-Up Audit of the Review of Budgetary Controls for Planning and Development Services Department. The purpose of this audit was to determine the implementation status of recommendations made in audit report dated February 27, 2003. This follow-up audit will result in a report on the current status of recommendations and management planned actions. The report will be issued and distributed to the Board of Supervisors, Audit Oversight Committee, and the Grand Jury in accordance with Audit Oversight Committee Procedure.

The PDS Function is working with the Human Resources & Employee Relations Department to ensure a timely reduction in RDMD's workforce for B&S Fund 113. The County will work with the employee associations to ensure that the impact upon employees of any such reduction is minimized, that the plan is administered equitably and that all appropriate and available steps to place affected employees within other divisions of RDMD, other county agencies or outside employers are taken.

#### Completion of Financial Merger of former PFRD and PDSD

- The merge of the PDSD operating budget Agency 071 into the RDMD operating budget Agency 080 as a separate Function was completed with the FY 2005-06 Adopted budget.
- The substantial merge of PDSD IT network and applications was completed in August 2005 (ahead of schedule) after 19 months analysis, programming network reengineering and consolidation.

#### Implementation of new Information Technology Applications

- Implemented Tracking Utility Fees (TUF) which provides more accurate accountability.
- Implemented Park Reservation System which provides nationwide online users to make reservations in our parks.
- Implemented Digital Map Products which replaced MetroScan giving users in Planning and other RDMD users more functionality.
- Completed Management Status Report which fully automates the rollup of reporting to management through Function Directors, Department Head, CEO as well as members of the Board.

#### Dana Point Transition to new Department

Dana Point Harbor management and operations transferred to a new Dana Point Harbor Department. RDMD staff conducted all the vast amount of financial, operational, and the analysis, and worked closely with the CEO and the new Dana Point Harbor Director to make the transition a success. The new Department budget became effective July 1, 2005.

#### HBP Capital Projects Fund 406

By Board approval on November 22, 2005, a new HBP Capital Fund 406 was established for monitoring and tracking of the Board approved 5-year HBP Deferred Maintenance and Capital Program Plan.

#### Analysis of HBP Financial and Organizational Structure

RDMD performed a preliminary analysis of the HBP Fund and program operating as a separate department. This issue will further be studied in depth in conjunction with preparation of an HBP Strategic Plan.

#### Watershed Working Group

An in-depth analysis was performed by RDMD of the Watershed fund which resulted in the CEO providing Agency 034 with an additional \$1 million in Net County Cost.

#### Long-Term Vacancy Policy

At the request of CEO, RDMD developed and submitted to the Managers Sub-committee a draft Long-Term Vacancy policy for County-wide implementation.

#### Approved Pilot Succession Plan for Management

RDMD administrative staff developed and implemented a comprehensive pilot Succession Plan to address replacement planning efforts as a result of important Department management vacancies. RDMD's Succession Planning efforts were the first implemented in the County and have tremendous impacts.

## Appendix D - *Management Team*

Management Team	Position Title
Bryan Speegle	Director, RDMD
Rick Le Feuvre	Director, Agricultural Commissioner / Sealer of Weights and Measures
Kevin Thomas	Director, Harbors, Beaches & Parks
Bob Wilson	Director, Internal Services
Steve Danley	Director, Administration
Herb Nakasone	Director, Public Works / Chief Engineer
Larry McKenney	Director, Watershed & Costal Resources
Tim Neely	Director, Planning and Development Services
Nadeem Majaj	Manager, Flood Control
Raymond Mathe	County Surveyor, Geomatics
Ignacio Ochoa	Manager, Road Program
Bill Tidwell	Manager, Operations & Maintenance
Dave Marshall	Manager, Construction Management
Jim Miller	Manager, Engineering & Permit Services
Vacant	Manager, Project Management
Bob Hamilton	Manager, Program Management and Coordination, HB&P



## Appendix E - ***Business Plan Team***

Management Team	Position Title
Bryan Speegle	Director, RDMD
Rick Le Feuvre	Director, Agricultural Commissioner / Sealer of Weights and Measures
Kevin Thomas	Director, Harbors, Beaches & Parks
Bob Wilson	Director, Internal Services
Steve Danley	Director, Administration
Herb Nakasone	Director, Public Works / Chief Engineer
Larry McKenney	Director, Watershed & Costal Resources
Tim Neely	Director, Planning and Development Services
Nadeem Majaj	Manager, Flood Control
Raymond Mathe	County Surveyor, Geomatics
Ignacio Ochoa	Manager, Road Program
Bill Tidwell	Manager, Operations & Maintenance
Dave Marshall	Manager, Construction Management
Jim Miller	Manager, Engineering & Permit Services
Bob Hamilton	Manager, Program Management and Coordination, HB&P
Greg Lepore	Manager, Finance & Department Services
Susan Eastman	Administrative Manager I, Finance & Department Services